

Adopted

Rejected

COMMITTEE REPORT

YES: 10

NO: 0

MR. SPEAKER:

Your Committee on Local Government, to which was referred Senate Bill 524, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 3-5-2-26 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 26. "Fiscal officer"
- 5 means **the:**
- 6 **(1) the** city controller **or clerk-treasurer** of a second class city;
- 7 **or**
- 8 **(2) the** clerk-treasurer of a town; or
- 9 **(3) clerk-treasurer of a** third class city.
- 10 SECTION 2. IC 3-8-1-28 IS AMENDED TO READ AS
- 11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 28. A candidate for the
- 12 office of city clerk of a second class city, **or city clerk-treasurer of a**
- 13 **second class city, or** city clerk-treasurer of a third class city must have
- 14 resided in the city for at least one (1) year before the election.
- 15 SECTION 3. IC 3-13-8-5 IS AMENDED TO READ AS
- 16 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A vacancy in the

office of mayor of a second class city not covered by section 1 of this chapter shall be filled as follows:

(1) If the city has a deputy mayor, the deputy mayor assumes the office for the remainder of the unexpired term.

(2) If the city does not have a deputy mayor, the city controller **or city clerk-treasurer** assumes the office for the remainder of the unexpired term.

(3) If the city does not have a deputy mayor and the office of city controller **or city clerk-treasurer** is vacant, the common council shall fill the vacancy at a regular or special meeting.

(b) The city clerk **or president of the common council** shall give notice of the meeting required under subsection (a)(3), which shall be held within thirty (30) days after the vacancy occurs. The notice must:

(1) be in writing;

(2) state the purpose of the meeting;

(3) state the date, time, and place of the meeting; and

(4) be sent by first class mail to each council member at least ten (10) days before the meeting.

(c) Until the vacancy is filled, the council shall designate one (1) of its members to serve as acting mayor.

SECTION 4. IC 3-13-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A vacancy in the office of city clerk of a second class city **or city clerk-treasurer of a second class city** not covered by section 1 of this chapter shall be filled by the mayor or acting mayor, subject to the approval of the common council.

(b) The common council shall vote on the question of approving the mayor or acting mayor's appointment at a regular or special meeting. The president of the common council shall give notice of the meeting, which shall be held within thirty (30) days after the appointment is made. The notice must:

(1) be in writing;

(2) state the purpose of the meeting;

(3) state the date, time, and place of the meeting; and

(4) be sent by first class mail to each council member at least ten (10) days before the meeting.

SECTION 5. IC 3-13-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. A vacancy in the

common council of a second class city not covered by section 1 of this chapter shall be filled by the remaining members of the council at a regular or special meeting. The city clerk **or city clerk-treasurer** shall give notice of the meeting, which shall be held within thirty (30) days after the vacancy occurs. The notice must:

- (1) be in writing;
- (2) state the purpose of the meeting;
- (3) state the date, time, and place of the meeting; and
- (4) be sent by first class mail to each council member at least ten (10) days before the meeting.

SECTION 6. IC 3-13-11-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. In accordance with section 12 of this chapter, if the position of deputy mayor is not established by ordinance in a first class or second class city, the city controller **or city clerk-treasurer** assumes the duties of mayor until the office is filled under this chapter.

SECTION 7. IC 5-1-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The legislative body of any county, second or third class city, or town in which is located one (1) or more participating hospitals, upon request in writing by the board of trustees or other governing board of any such participating hospital, may adopt a resolution for the creation of an authority under this chapter.

(b) Upon the adoption of the resolution, there is created an authority which shall be a body corporate and politic for the purpose of financing, acquiring, constructing, equipping, and leasing a project or projects to participating hospitals located in the county, city, or town or refunding outstanding indebtedness of participating hospitals located in the county, city, or town as authorized by this chapter, or both.

(c) If the authority is created by a resolution of the legislative body of a county, it shall be known as the "Hospital Authority of _____ County" (include the name of the county).

(d) If the authority is created by resolution of the legislative body of a second or third class city or town, it shall be known as the "Hospital Authority of _____" (include the name of the city or town).

(e) The county auditor, the city clerk, **the city clerk-treasurer**, or the town clerk-treasurer, as the case may be, shall file a certified copy of the resolution with the executive of the county, city, or town, as the

1 case may be, in which the authority is created.

2 SECTION 8. IC 5-11-10-1 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) This section
4 applies to the state and its political subdivisions. However, this section
5 does not apply to the following:

- 6 (1) The state universities.
- 7 (2) Ivy Tech State College.
- 8 (3) A municipality (as defined in IC 36-1-2-11).
- 9 (4) A county.
- 10 (5) An airport authority operating in a consolidated city.
- 11 (6) A capital improvements board of managers operating in a
12 consolidated city.
- 13 (7) A board of directors of a public transportation corporation
14 operating in a consolidated city.
- 15 (8) A municipal corporation organized under IC 16-22-8-6.
- 16 (9) A public library.
- 17 (10) A library services authority.
- 18 (11) A hospital organized under IC 16-22 or a hospital organized
19 under IC 16-23.
- 20 (12) A school corporation (as defined in IC 36-1-2-17).
- 21 (13) A regional water or sewer district organized under IC 13-26
22 or under IC 13-3-2 (before its repeal).
- 23 (14) A municipally owned utility (as defined in IC 8-1-2-1).
- 24 (15) A board of an airport authority under IC 8-22-3.
- 25 (16) A conservancy district.
- 26 (17) A board of aviation commissioners under IC 8-22-2.
- 27 (18) A public transportation corporation under IC 36-9-4.
- 28 (19) A commuter transportation district under IC 8-5-15.
- 29 (20) A solid waste management district established under
30 IC 13-21 or IC 13-9.5 (before its repeal).
- 31 (21) A county building authority under IC 36-9-13.
- 32 (22) A soil and water conservation district established under
33 IC 14-32.
- 34 **(23) The northwestern Indiana regional planning commission**
35 **established by IC 36-7-7.6-3.**
- 36 (b) No warrant or check shall be drawn by a disbursing officer in
37 payment of any claim unless the same has been fully itemized and its
38 correctness properly certified to by the claimant or some authorized

1 person in the claimant's behalf, and filed and allowed as provided by
2 law.

3 (c) The certificate provided for in subsection (b) is not required for:

4 (1) claims rendered by a public utility for electric, gas, steam,
5 water, or telephone services, the charges for which are regulated
6 by a governmental body;

7 (2) a warrant issued by the auditor of state under IC 4-13-2-7(b);

8 (3) a check issued by a special disbursing officer under
9 IC 4-13-2-20(g); or

10 (4) a payment of fees under IC 36-7-11.2-49(b) or
11 IC 36-7-11.3-43(b).

12 (d) The disbursing officer shall issue checks or warrants for all
13 claims which meet all of the requirements of this section. The
14 disbursing officer does not incur personal liability for disbursements:

15 (1) processed in accordance with this section; and

16 (2) for which funds are appropriated and available.

17 (e) The certificate provided for in subsection (b) must be in the
18 following form:

19 I hereby certify that the foregoing account is just and correct, that
20 the amount claimed is legally due, after allowing all just credits,
21 and that no part of the same has been paid.

22 SECTION 9. IC 5-11-10-1.6 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.6. (a) As used in this
24 section, "governmental entity" refers to any of the following:

25 (1) A municipality (as defined in IC 36-1-2-11).

26 (2) A school corporation (as defined in IC 36-1-2-17), including
27 a school extracurricular account.

28 (3) A county.

29 (4) A regional water or sewer district organized under IC 13-26 or
30 under IC 13-3-2 (before its repeal).

31 (5) A municipally owned utility that is subject to IC 8-1.5-3 or
32 IC 8-1.5-4.

33 (6) A board of an airport authority under IC 8-22-3.

34 (7) A board of aviation commissioners under IC 8-22-2.

35 (8) A conservancy district.

36 (9) A public transportation corporation under IC 36-9-4.

37 (10) A commuter transportation district under IC 8-5-15.

38 (11) The state.

(12) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).

(13) A levee authority established under IC 14-27-6.

(14) A county building authority under IC 36-9-13.

(15) A soil and water conservation district established under IC 14-32.

(16) The northwestern Indiana regional planning commission established by IC 36-7-7.6-3.

(b) As used in this section, "claim" means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

(1) there is a fully itemized invoice or bill for the claim;

(2) the invoice or bill is approved by the officer or person receiving the goods and services;

(3) the invoice or bill is filed with the governmental entity's fiscal officer;

(4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and

(5) payment of the claim is allowed by the governmental entity's legislative body or the board or official having jurisdiction over allowance of payment of the claim.

This subsection does not prohibit a school corporation, with prior approval of the board having jurisdiction over allowance of payment of the claim, from making payment in advance of receipt of services as allowed by guidelines developed under IC 20-10.1-25-3. **This subsection does not prohibit a municipality from making meal expense advances to a municipal employee who will be traveling on official municipal business if the municipal fiscal body has adopted an ordinance allowing the advance payment, specifying the maximum amount that may be paid in advance, specifying the required invoices and other documentation that must be submitted by the municipal employee, and providing for reimbursement from the wages of the municipal employee if the municipal employee does not submit the required invoices and documentation.**

(d) The fiscal officer of a governmental entity shall issue checks or warrants for claims by the governmental entity that meet all of the requirements of this section. The fiscal officer does not incur personal

1 liability for disbursements:

2 (1) processed in accordance with this section; and

3 (2) for which funds are appropriated and available.

4 (e) The certification provided for in subsection (c)(4) must be on a
5 form prescribed by the state board of accounts.

6 SECTION 10. IC 5-11-14-1 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) As used in this
8 section, "official" includes the following:

9 (1) An elected official who is entitled to attend a conference under
10 this section.

11 (2) An individual elected to an office who is entitled to attend a
12 conference under this section.

13 (3) A deputy or an assistant to an elected official who is entitled
14 to attend a conference under this section.

15 (b) The state board of accounts shall annually call a conference of
16 each of the following:

17 (1) County auditors and auditors elect.

18 (2) County treasurers and treasurers elect.

19 (3) Circuit court clerks and circuit court clerks elect.

20 (c) Each of the conferences called under subsection (b):

21 (1) must be held at a time and place fixed by the state examiner;

22 (2) may be held statewide or by district; and

23 (3) may not continue for longer than three (3) days in any one (1)
24 year.

25 (d) The following training must be provided at each conference
26 called under subsection (b):

27 (1) The proper use of forms prescribed by the state board of
28 accounts.

29 (2) The keeping of the records of the respective offices.

30 (3) At the conference for county treasurers and treasurers elect,
31 investment training by the following:

32 (A) The treasurer of state.

33 (B) The board for depositories.

34 (C) Any other person the state examiner considers to be
35 competent in providing investment training.

36 (4) Any other training that, in the judgment of the state examiner,
37 will result in the better conduct of the public business.

38 (e) The state examiner may hold other conferences for:

(1) the officials described in subsection (b); or
 (2) other county, city, or township officers;
 whenever in the judgment of the state examiner conferences are
 necessary.

(f) Whenever a conference is called by the state board of accounts
 under this section, an elected official, at the direction of the state
 examiner, may require the attendance of:

(1) each of the elected official's appointed and acting chief
 deputies or chief assistants; and

(2) if the number of deputies or assistants employed:

(A) does not exceed three (3), one (1) of the elected official's
 appointed and acting deputies or assistants; or

(B) exceeds three (3), two (2) of the elected official's duly
 appointed and acting deputies or assistants.

(g) Each official **representing the unit and** attending any
 conference under this section shall be allowed **the following:**

**(1) A sum for mileage at a rate determined by the fiscal body
 of the unit the official represents for each mile necessarily
 traveled in going to and returning from the conference by the most
 expeditious route. a sum for mileage at a rate determined by the
 fiscal body of the unit the official represents. Regardless of the
 duration of the conference, only one (1) mileage
 reimbursement shall be allowed to the official furnishing the
 conveyance although the official transports more than one (1)
 person.**

**(2) Each official shall also be allowed, while attending a
 conference called under this section, An allowance for lodging for
 each night preceding conference attendance in an amount equal to
 the single room rate. However, lodging expense, in the case of a
 one (1) day conference, shall only be allowed for persons who
 reside fifty (50) miles or farther from the conference location.**

**(3) Each official shall be reimbursed; Reimbursement of an
 official in an amount determined by the fiscal body of the unit the
 official represents, for meals purchased while attending a
 conference called under this section. Regardless of the duration of
 the conference, only one (1) mileage reimbursement shall be
 allowed to the official furnishing the conveyance although the
 official transports more than one (1) person.**

1 (h) The state board of accounts shall certify the number of days of
 2 attendance and the mileage for each conference to each official
 3 attending any conference under this section.

4 (i) All payments of mileage and lodging shall be made by the proper
 5 disbursing officer in the manner provided by law on a duly verified
 6 claim or voucher to which shall be attached the certificate of the state
 7 board of accounts showing the number of days attended and the number
 8 of miles traveled. All payments shall be made from the general fund
 9 from any money not otherwise appropriated and without any previous
 10 appropriation being made therefor.

11 **(j) A claim for reimbursement under this section may not be**
 12 **denied by the body responsible for the approval of claims if the**
 13 **claim complies with IC 5-11-10-1.6 and this section.**

14 SECTION 11. IC 6-1.1-17-5 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The officers of
 16 political subdivisions shall meet each year to fix the budget, tax rate,
 17 and tax levy of their respective subdivisions for the ensuing budget year
 18 as follows:

19 (1) The fiscal body of a consolidated city and county, not later
 20 than the last meeting of the fiscal body in September.

21 (2) The fiscal body of a ~~second class city;~~ **municipality**, not later
 22 than September 30.

23 (3) The board of school trustees of a school corporation that is
 24 located in a city having a population of more than one hundred
 25 five thousand (105,000) but less than one hundred twenty
 26 thousand (120,000), not later than:

27 (A) the time required in section 5.6(b) of this chapter; or

28 (B) September 20 if a resolution adopted under section 5.6(d)
 29 of this chapter is in effect.

30 (4) The proper officers of all other political subdivisions, not later
 31 than September 20.

32 Except in a consolidated city and county and in a second class city, the
 33 public hearing required by section 3 of this chapter must be completed
 34 at least ten (10) days before the proper officers of the political
 35 subdivision meet to fix the budget, tax rate, and tax levy. In a
 36 consolidated city and county and in a second class city, that public
 37 hearing, by any committee or by the entire fiscal body, may be held at
 38 any time after introduction of the budget.

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

(d) This subsection does not apply to a school corporation. Each year at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, a political subdivision shall file with the county auditor:

(1) a statement of the tax rate and levy fixed by the political subdivision for the ensuing budget year;

(2) two (2) copies of the budget adopted by the political subdivision for the ensuing budget year; and

(3) two (2) copies of any findings adopted under subsection (c).

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting.

(e) In a consolidated city and county and in a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county board of tax adjustment within two (2) days after the ordinances are signed by the executive, or within two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

(f) If a fiscal body does not fix the budget, tax rate, and tax levy of the political subdivisions for the ensuing budget year as required under this section, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

SECTION 12. IC 6-1.1-12.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 12.4. Deduction for Redevelopment or Rehabilitation of Real Property in a Residential Redevelopment Area

Sec. 1. This chapter applies to:

(1) a consolidated city; and

1 (2) a second class city that has established a residential
2 redevelopment area under IC 36-7-17.5.

3 **Sec. 2. As used in this chapter, "city" means:**

- 4 (1) a consolidated city; or
5 (2) a second class city.

6 **Sec. 3. As used in this chapter, "commission" refers to:**

- 7 (1) the metropolitan development commission in a
8 consolidated city; or
9 (2) a redevelopment commission in a second class city.

10 **Sec. 4. As used in this chapter, "property" means a residential**
11 **building or structure assessed as real property under IC 6-1.1-4.**
12 **The term does not include land.**

13 **Sec. 5. As used in this chapter, "redevelopment" means the**
14 **construction of a new residential structure in a residential**
15 **redevelopment area on:**

- 16 (1) unimproved land; or
17 (2) land on which a structure is demolished to allow for the
18 construction of the new residential structure.

19 **Sec. 6. As used in this chapter, "rehabilitation" means the**
20 **remodeling, repair, or betterment of residential property in any**
21 **manner or any enlargement or extension of property in which**
22 **depreciable rehabilitation expenditures of at least twenty-five**
23 **thousand dollars (\$25,000) are incurred.**

24 **Sec. 7. As used in this chapter, "residential redevelopment area"**
25 **means an area established under IC 36-7-17.5.**

26 **Sec. 8. (a) If a commission has:**

- 27 (1) established a residential redevelopment area; and
28 (2) included a property tax deduction as an incentive available
29 in the residential redevelopment area under a redevelopment
30 plan adopted under IC 36-7-17.5-9;

31 the county auditor shall deduct the amount determined under
32 subsection (b) from the assessed value of a taxpayer's property that
33 is located in the residential redevelopment area and has been
34 redeveloped or rehabilitated.

35 (b) Subject to subsection (d), the amount deducted from the
36 assessed value of the taxpayer's property under subsection (a) is
37 equal to the product of:

- 38 (1) the increase in the property's assessed value resulting from

1 the rehabilitation or redevelopment of the property;
2 multiplied by

3 (2) the applicable percentage set forth in subsection (c).

4 (c) The percentage to be applied under subsection (b)(2) is as
5 follows:

6 (1) One hundred percent (100%) for the first three (3) years
7 that the taxpayer claims a deduction for a particular property
8 under this section.

9 (2) Fifty percent (50%) for the fourth through sixth years that
10 the taxpayer claims a deduction for a particular property
11 under this section.

12 (3) Forty percent (40%) for the seventh year that the taxpayer
13 claims a deduction for a particular property under this
14 section.

15 (4) Thirty percent (30%) for the eighth year that the taxpayer
16 claims a deduction for a particular property under this
17 section.

18 (5) Twenty percent (20%) for the ninth year that the taxpayer
19 claims a deduction for a particular property under this
20 section.

21 (6) Ten percent (10%) for the tenth year that the taxpayer
22 claims a deduction for a particular property under this
23 section.

24 (d) The amount of the deduction determined under subsection
25 (b) shall be adjusted:

26 (1) to reflect the percentage increase or decrease in the
27 property's assessed valuation that resulted from a general
28 reassessment of real property occurring within the period of
29 the deduction; or

30 (2) to reflect the percentage decrease in the property's
31 assessed valuation that resulted from a successful appeal of an
32 assessment of the property occurring within the period of the
33 deduction.

34 (e) The department of local government finance shall adopt
35 rules under IC 4-22-2 to implement the adjustments required
36 under subsection (d).

37 (f) A deduction provided under this section terminates if the
38 property ceases to be used as residential property.

(g) The county auditor shall continue to make the assessed value deduction provided under this section after the property is transferred to another owner as long as the property is used as residential property and the deduction period described in subsection (c) has not expired.

Sec. 9. A property owner may not receive a deduction under this chapter for repairs or improvements to real property if the property owner receives a deduction under either IC 6-1.1-12-18 or IC 6-1.1-12-22 for those same repairs or improvements.

Sec. 10. (a) For properties located within a residential redevelopment area, the township assessor shall send a notice of assessment to the commission at the same time the township assessor sends a notice of assessment to the taxpayer under IC 6-1.1-4-22.

(b) Not more than forty-five (45) days after receiving a notice of assessment under subsection (a), the commission shall inform the county auditor of the amount determined under section 8(b) of this chapter.

SECTION 13. IC 6-1.1-24-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) ~~On or~~ Before July ~~1~~ **2** of each year, the county treasurer shall certify to the county auditor a list of real property on which any of the following exist:

(1) Any property taxes or special assessments certified to the county auditor for collection by the county treasurer from the prior year's spring installment or before are delinquent as determined under IC 6-1.1-37-10.

(2) Any unpaid costs are due under section 2(b) of this chapter from a prior tax sale.

Failure of the county treasurer to certify the list before July 2 does not invalidate an otherwise valid sale.

(b) The county auditor shall maintain a list of all real property eligible for sale. Unless the taxpayer pays to the county treasurer the amounts in subsection (a), the taxpayer's property shall remain on the list. The list must:

(1) describe the real property by parcel number and ~~common~~ **street** address, if any;

(2) for a tract or item of real property with a single owner, indicate the name of the owner; and

1 (3) for a tract or item with multiple owners, indicate the name of
2 at least one (1) of the owners.

3 (c) Except as otherwise provided in this chapter, the real property so
4 listed is eligible for sale in the manner prescribed in this chapter.

5 (d) Not later than fifteen (15) days after the date of the county
6 treasurer's certification under subsection (a), the county auditor shall
7 mail by certified mail a copy of the list described in subsection (b) to
8 each mortgagee who requests from the county auditor by certified mail
9 a copy of the list. Failure of the county auditor to mail the list under this
10 subsection does not invalidate an otherwise valid sale."

11 Page 1, between lines 8 and 9, begin a new line block indented and
12 insert:

13 **"(3) A redevelopment commission that has established a**
14 **residential redevelopment area under IC 36-7-17.5."**

15 Page 2, delete lines 25 through 42, begin a new paragraph and insert:

16 "SECTION 15. IC 6-1.1-24-2 IS AMENDED TO READ AS
17 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) In addition to the
18 delinquency list required under section 1 of this chapter, each county
19 auditor shall prepare a notice. The notice shall contain the following:

20 (1) A list of tracts or real property eligible for sale under this
21 chapter.

22 (2) A statement that the tracts or real property included in the list
23 will be sold at public auction to the highest bidder, subject to the
24 right of redemption.

25 (3) A statement that the tracts or real property will not be sold for
26 an amount which is less than the sum of:

27 (A) the delinquent taxes and special assessments on each tract
28 or item of real property;

29 (B) the taxes and special assessments on each tract or item of
30 real property that are due and payable in the year of the sale,
31 whether or not they are delinquent;

32 (C) all penalties due on the delinquencies;

33 (D) an amount prescribed by the county auditor that equals the
34 sum of:

35 (i) twenty-five dollars (\$25) for postage and publication
36 costs; and

37 (ii) any other actual costs incurred by the county that are
38 directly attributable to the tax sale; and

- 1 (E) any unpaid costs due under subsection (b) from a prior tax
 2 sale.
- 3 (4) A statement that a person redeeming each tract or item of real
 4 property after the sale must pay:
- 5 (A) one hundred ten percent (110%) of the amount of the
 6 minimum bid for which the tract or item of real property was
 7 offered at the time of sale if the tract or item of real property is
 8 redeemed not more than six (6) months after the date of sale;
- 9 (B) one hundred fifteen percent (115%) of the amount of the
 10 minimum bid for which the tract or item of real property was
 11 offered at the time of sale if the tract or item of real property is
 12 redeemed more than six (6) months after the date of sale;
- 13 (C) the amount by which the purchase price exceeds the
 14 minimum bid on the tract or item of real property plus ten
 15 percent (10%) per annum on the amount by which the purchase
 16 price exceeds the minimum bid; and
- 17 (D) all taxes and special assessments on the tract or item of
 18 real property paid by the purchaser after the tax sale plus
 19 interest at the rate of ten percent (10%) per annum on the
 20 amount of taxes and special assessments paid by the purchaser
 21 on the redeemed property.
- 22 (5) A statement for informational purposes only, of the location of
 23 each tract or item of real property by key number, if any, and
 24 street address, if any, or a common description of the property
 25 other than a legal description. The township assessor, upon written
 26 request from the county auditor, shall provide the information to
 27 be in the notice required by this subsection. A misstatement in the
 28 **key number or street address or common description** does not
 29 invalidate an otherwise valid sale.
- 30 (6) A statement that the county does not warrant the accuracy of
 31 the street address or common description of the property.
- 32 (7) A statement indicating:
- 33 (A) the name of the owner of each tract or item of real property
 34 with a single owner; or
- 35 (B) the name of at least one (1) of the owners of each tract or
 36 item of real property with multiple owners.
- 37 (8) A statement of the procedure to be followed for obtaining or
 38 objecting to a judgment and order of sale, that must include the

- 1 following:
- 2 (A) A statement:
- 3 (i) that the county auditor and county treasurer will apply on
- 4 or after a date designated in the notice for a court judgment
- 5 against the tracts or real property for an amount that is not
- 6 less than the amount set under subdivision (3), and for an
- 7 order to sell the tracts or real property at public auction to
- 8 the highest bidder, subject to the right of redemption; and
- 9 (ii) indicating the date when the period of redemption
- 10 specified in IC 6-1.1-25-4 will expire.
- 11 (B) A statement that any defense to the application for
- 12 judgment must be filed with the court before the date
- 13 designated as the earliest date on which the application for
- 14 judgment may be filed.
- 15 (C) A statement that the court will set a date for a hearing at
- 16 least seven (7) days before the advertised date and that the
- 17 court will determine any defenses to the application for
- 18 judgment at the hearing.
- 19 (9) A statement that the sale will be conducted at a place
- 20 designated in the notice and that the sale will continue until all
- 21 tracts and real property have been offered for sale.
- 22 (10) A statement that the sale will take place at the times and dates
- 23 designated in the notice. Except as provided in section 5.5 of this
- 24 chapter, the sale must take place on or after August 1 and before
- 25 November 1 of each year.
- 26 (11) A statement that a person redeeming each tract or item after
- 27 the sale must pay the costs described in IC 6-1.1-25-2(e).
- 28 (12) If a county auditor and county treasurer have entered into an
- 29 agreement under IC 6-1.1-25-4.7, a statement that the county
- 30 auditor will perform the duties of the notification and title search
- 31 under IC 6-1.1-25-4.5 and the notification and petition to the court
- 32 for the tax deed under IC 6-1.1-25-4.6.
- 33 (13) A statement that, if the tract or item of real property is sold
- 34 for an amount more than the minimum bid and the property is not
- 35 redeemed, the owner of record of the tract or item of real property
- 36 who is divested of ownership at the time the tax deed is issued
- 37 may have a right to the tax sale surplus.
- 38 (14) If a determination has been made under subsection (d), a

1 statement that **indicates the** tracts or items **that** will be sold
2 together.

3 (b) If within sixty (60) days before the date of the tax sale the county
4 incurs costs set under subsection (a)(3)(D) and those costs are not paid,
5 the county auditor shall enter the amount of costs that remain unpaid
6 upon the tax duplicate of the property for which the costs were set. The
7 county treasurer shall mail notice of unpaid costs entered upon a tax
8 duplicate under this subsection to the owner of the property identified
9 in the tax duplicate.

10 (c) The amount of unpaid costs entered upon a tax duplicate under
11 subsection (b) must be paid no later than the date upon which the next
12 installment of real estate taxes for the property is due. Unpaid costs
13 entered upon a tax duplicate under subsection (b) are a lien against the
14 property described in the tax duplicate, and amounts remaining unpaid
15 on the date the next installment of real estate taxes is due may be
16 collected in the same manner that delinquent property taxes are
17 collected.

18 (d) The county auditor and county treasurer may establish the
19 condition that a tract or item will be sold ~~and may be redeemed~~ under
20 this chapter only if the tract or item is sold ~~or redeemed~~ together with
21 one (1) or more other tracts or items. Property may be sold together
22 only if the tract or item is owned by the same person. **Property sold**
23 **together must be redeemed together.**

24 SECTION 16. IC 6-1.1-24-2.2 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.2. (a) This section
26 applies to ~~a county having a consolidated city~~ **all counties**.

27 (b) Whenever a notice required under section 2 of this chapter
28 includes real property on the list prepared under ~~section 1.5(e)~~ **section**
29 **1.5(f)** of this chapter, the notice must also contain a statement that:

30 (1) the property is on the alternate list prepared under ~~section~~
31 ~~1.5(e)~~ **section 1.5(f)** of this chapter;

32 (2) the owner of the property may file an affidavit with the county
33 auditor no later than twenty (20) days following the date of the
34 notice indicating that the residential structure located on the
35 property is:

36 (A) habitable under state law and any ordinance of the political
37 subdivision where the property is located; and

38 (B) has been occupied as a permanent residence for the six (6)

- 1 month period preceding the date of the notice;
- 2 (3) if the auditor determines that the statements made in the
- 3 affidavit are correct, the auditor will remove the property from the
- 4 list prepared under ~~section 1.5(e)~~ **section 1.5(f)** of this chapter and
- 5 restore the parcel to the delinquent tax list prepared under section
- 6 1 of this chapter;
- 7 (4) if the property is not redeemed within one hundred twenty
- 8 (120) days after the date of sale the county auditor shall execute
- 9 and deliver a deed for the property to the purchaser or purchaser's
- 10 assignee; and
- 11 (5) if the property is offered for sale and a bid is not received for
- 12 at least the amount required under section 5 of this chapter, the
- 13 county auditor may execute and deliver a deed for the property to:
- 14 **(A) if the property is under the jurisdiction of a purchasing**
- 15 **agency under IC 36-7-17, the purchasing agency; under**
- 16 ~~IC 36-7-17;~~
- 17 **(B) if the property is in an area designated as a residential**
- 18 **redevelopment area under IC 36-7-17.5 by the**
- 19 **metropolitan development commission, the metropolitan**
- 20 **development commission; or**
- 21 **(C) if the property is in an area designated as a residential**
- 22 **redevelopment area under IC 36-7-17.5 by a**
- 23 **redevelopment commission, the redevelopment**
- 24 **commission;**
- 25 subject to IC 6-1.1-25.
- 26 SECTION 17. IC 6-1.1-24-3 IS AMENDED TO READ AS
- 27 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) When real
- 28 property is eligible for sale under this chapter, the county auditor shall
- 29 post a copy of the notice required by sections 2 and 2.2 of this chapter
- 30 at a public place of posting in the county courthouse or in another
- 31 public county building at least twenty-one (21) days before the earliest
- 32 date of application for judgment. In addition, the county auditor shall,
- 33 in accordance with IC 5-3-1-4, publish the notice required in sections
- 34 2 and 2.2 of this chapter once each week for three (3) consecutive
- 35 weeks before the earliest date on which the application for judgment
- 36 may be made. The expenses of this publication shall be paid out of the
- 37 county general fund without prior appropriation.
- 38 (b) **Subject to subsection (d),** at least twenty-one (21) days before

the application for judgment is made, the county auditor shall mail a copy of the notice required by sections 2 and 2.2 of this chapter by certified mail, return receipt requested, to any mortgagee who annually requests, by certified mail, a copy of the notice. However, the failure of the county auditor to mail this notice or its nondelivery does not affect the validity of the judgment and order.

(c) The advertisement published under section 4(b) of this chapter is considered sufficient notice of the intended application for judgment and of the sale of real property under the order of the court.

(d) The county auditor is not required to mail the notice referred to in subsection (b) by certified mail to a person with a mailing address outside the United States."

Page 3, delete lines 1 through 11.

Page 3, line 13, delete "Not" and insert "**Subject to subsection (d),** not".

Page 4, between lines 1 and 2, begin a new paragraph and insert:

"(d) The county auditor is not required to mail the notice referred to in subsection (a) by certified mail to a person with a mailing address outside the United States."

Page 5, line 14, after "tract" insert "**or an item of real property or a certificate of sale**".

Page 5, line 15, after "5" insert ",."

Page 5, line 15, strike "or".

Page 5, line 15, after "5.5" insert ", **or 6.1**".

Page 5, line 16, after "tract" insert "**or an item of real property or a certificate of sale**".

Page 5, line 17, after "property" insert "**or certificate**".

Page 5, line 21, after "the" insert "**tract or item of**".

Page 5, line 21, after "property" insert "**or certificate**".

Page 5, line 38, after "chapter" delete ";" and insert "**for which the tract or item of real property was last offered for sale;**".

Page 6, delete lines 31 through 42, begin a new paragraph and insert:

"SECTION 23. IC 6-1.1-24-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. (a) This section applies to ~~a county having a consolidated city~~ **all counties**.

(b) Whenever real property on the list prepared under section 1.5 of this chapter:

(1) is offered for sale under this chapter; and

(2) does not receive a bid for at least the amount required under section 5 of this chapter; the auditor shall notify the ~~metropolitan development~~ commission **(as defined in section 1.5 of this chapter)** that the real property has been offered for sale under this chapter and that an adequate bid has not been received.

(c) This subsection does not apply to property described under subsection (b) that the redevelopment commission desires to acquire for redevelopment purposes under IC 36-7-17.5. The ~~metropolitan development~~ commission shall, within a reasonable time after receiving notice under subsection (b), identify any property described under subsection (b) that the ~~metropolitan development~~ commission desires to acquire for urban homesteading under IC 36-7-17 or redevelopment purposes under **IC 36-7-14 or IC 36-7-15.1**. The ~~metropolitan development~~ commission shall then provide the county auditor with a list of the properties identified under this subsection.

(d) This subsection applies only to property described under subsection (b) that the redevelopment commission desires to acquire for redevelopment purposes under IC 36-7-17.5. The redevelopment commission shall, within a reasonable time after receiving notice under subsection (b), identify any property described in subsection (b) that the redevelopment commission desires to acquire for redevelopment purposes under IC 36-7-17.5. The redevelopment commission shall then provide the county auditor with a list of the properties identified under this subsection.

~~(d)~~ **(e)** The county auditor shall execute and deliver a deed for any property identified under subsection (c) **or (d)** to the ~~metropolitan development~~ **appropriate** commission, subject to IC 6-1.1-25. Properties identified under subsection (c) **or (d)** but not acquired by the ~~metropolitan development~~ **appropriate** commission shall be restored to the delinquent list prepared under section 1 of this chapter.

~~(e)~~ **(f)** The county acquires a lien under section 6 of this chapter for any property that is:

- (1) not identified under subsection (c) **or (d)**; and
- (2) offered for sale under this chapter for two (2) consecutive sales.

~~(f)~~ **(g)** The ~~metropolitan development~~ commission may not pay for

any property acquired under subsection ~~(d)~~ (e). However, a taxing unit having an interest in the taxes on the real property shall be credited with the full amount of the delinquent tax due to that unit.

SECTION 24. IC 6-1.1-24-6.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.7. (a) After each tax sale conducted under this chapter, the county auditor shall prepare and deliver to the county commissioners a list of all properties:

- (1) that have been offered for sale in two (2) consecutive tax sales;
- (2) that have not received a bid for at least the amount required under section 5 of this chapter;
- (3) that are not subject to the provisions of section 6.5 of this chapter;
- (4) that are not located in a residential redevelopment area designated under IC 36-7-17.5;**
- ~~(4)~~ (5) on which the county has acquired a lien under section 6 of this chapter; and
- ~~(5)~~ (6) for which the county is eligible to take title.

(b) The county commissioners shall:

- (1) by resolution, identify the property described under subsection (a) that the county commissioners desire to transfer to a nonprofit corporation for use for the public good; and
- (2) set a date, time, and place for a public hearing to consider the transfer of the property to a nonprofit corporation.

(c) Notice of the list prepared under subsection (b) and the date, time, and place for the hearing on the proposed transfer of the property on the list shall be published in accordance with IC 5-3-1. The notice must include a description of the property by:

- (1) legal description; and
- (2) parcel number or street address, or both.

The notice must specify that the county commissioners will accept applications submitted by nonprofit corporations as provided in subsection (f) and hear any opposition to a proposed transfer.

(d) After the hearing set under subsection (b), the county commissioners shall by resolution make a final determination concerning:

- (1) the properties that are to be transferred to a nonprofit corporation;
- (2) the nonprofit corporation to which each property is to be

1 transferred; and

2 (3) the terms and conditions of the transfer.

3 (e) This subsection applies only to a county having a consolidated
4 city. The resolution of the county commissioners prepared under
5 subsection (d) shall be forwarded to the county executive for approval.
6 The county executive may remove any properties from the list of
7 properties to be transferred that is prepared under subsection (d). The
8 final list of properties to be transferred to nonprofit corporations shall
9 be approved by the county executive and returned to the county
10 commissioners.

11 (f) To be eligible to receive property under this section, a nonprofit
12 corporation must file an application with the county commissioners.
13 The application must state the property that the corporation desires to
14 acquire, the use to be made of the property, and the time period
15 anticipated for implementation of the use. The application must be
16 accompanied by documentation verifying the nonprofit status of the
17 corporation and be signed by an officer of the corporation. If more than
18 one (1) application for a single property is filed, the county
19 commissioners shall determine which application is to be accepted
20 based on the benefit to be provided to the public and the neighborhood
21 and the suitability of the stated use for the property and the surrounding
22 area.

23 (g) After the hearing set under subsection (b) and the final
24 determination of properties to be transferred under subsection (d) or (e),
25 whichever is applicable, the county commissioners, on behalf of the
26 county, shall cause all delinquent taxes, special assessments, penalties,
27 interest, and costs of sale to be removed from the tax duplicate and the
28 county auditor to prepare a deed transferring the property to the
29 nonprofit corporation. The deed shall provide for:

30 (1) the use to be made of the property;

31 (2) the time within which the use must be implemented and
32 maintained;

33 (3) any other ~~term~~ terms and conditions that are established by the
34 county commissioners; and

35 (4) the reversion of the property to the county if the grantee
36 nonprofit corporation fails to comply with the terms and
37 conditions.

38 If the grantee nonprofit corporation fails to comply with the terms and

conditions of the transfer and title to the property reverts to the county, the property may be retained by the county or disposed of under any of the provisions of this chapter. ~~or IC 6-1.1-24, or both.~~

SECTION 25. IC 6-1.1-24-6.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 6.8. (a) This section applies to:**

- (1) a county having a consolidated city; and**
- (2) a county having a second class city that has established a residential redevelopment area under IC 36-7-17.5.**

(b) As used in this section, "commission" means:

- (1) the metropolitan development commission in a county having a consolidated city; or**
- (2) a redevelopment commission that has established a residential redevelopment area under IC 36-7-17.5.**

(c) After each tax sale conducted under this chapter, the county auditor shall prepare and deliver to the commission a list of all properties within a residential redevelopment area in the county:

- (1) that have been offered for sale in two (2) consecutive tax sales;**
- (2) that have not received a bid for at least the amount required under section 5 of this chapter;**
- (3) that are not subject to section 6.5 of this chapter;**
- (4) on which the county has acquired a lien under section 6 of this chapter; and**
- (5) for which the county is eligible to take title.**

(d) The commission shall:

- (1) by resolution, identify and prepare a list of the properties described under subsection (c) that the commission desires to transfer to an eligible entity, as described under subsection (g), for the public good; and**
- (2) set a date, time, and place for a public hearing to consider the transfer of the property to an eligible entity under subsection (h).**

(e) Notice of the list prepared under subsection (d) and the date, time, and place for the hearing on the proposed transfer of property on the list shall be published in accordance with IC 5-3-1. The notice must include a description of the property by:

- (1) legal description; and**

1 (2) either:

2 (A) parcel number; or

3 (B) street address.

4 The notice must specify that the commission will accept
5 applications submitted by eligible entities under subsection (g) that
6 pledge to develop the property in accordance with a residential
7 redevelopment plan under IC 36-7-17.5-9 and hear any opposition
8 to a proposed transfer.

9 (f) After the hearing set under subsection (d), the commission
10 shall by resolution make a final determination concerning:

11 (1) the properties that are to be transferred to an eligible
12 entity under subsection (h);

13 (2) the eligible entity under subsection (g) to which each
14 property is transferred; and

15 (3) the terms and conditions of the transfer.

16 (g) To be an eligible entity that may receive property under this
17 section, an entity must file an application with the commission. The
18 application must identify:

19 (1) the property that the entity desires to acquire;

20 (2) the use to be made of the property that is in accordance
21 with the residential redevelopment plan under IC 36-7-17.5-9;
22 and

23 (3) the period anticipated for implementation of the use
24 identified under subdivision (2).

25 The application must be accompanied by documentation of the
26 financial status of the entity, the relevant experience of the entity
27 in developing similar property, and any other information required
28 by the commission. The application must be signed by an individual
29 authorized to sign for the entity. If more than one (1) application
30 for a single property is filed, the commission shall determine which
31 application is in the best interest of the public and the
32 neighborhood. In making the determination, the commission shall
33 consider the suitability of the use of the property proposed in each
34 application for the property and the surrounding area.

35 (h) After the hearing set under subsection (d) and the final
36 determination of properties to be transferred under subsection (f),
37 the county commissioners (or in a consolidated city, the city-county
38 council), on behalf of the county, shall cause all delinquent taxes,

special assessments, penalties, interest, and costs of sale to be removed from the tax duplicate and the county auditor to prepare a deed transferring the property to the eligible entity. The deed must provide for:

- (1) the use to be made of the property;
- (2) the time within which the use must be implemented and maintained;
- (3) any other terms and conditions that are established by the commission; and
- (4) the reversion of the property to the commission if the grantee eligible entity fails to comply with the terms and conditions.

If the grantee eligible entity fails to comply with the terms and conditions of the transfer and title to the property reverts to the commission, the property may be retained by the county or disposed of under this chapter.

SECTION 26. IC 6-1.1-24-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) When real property is sold under this chapter, the purchaser at the sale shall immediately pay the amount of the bid to the county treasurer. The county treasurer shall apply the payment in the following manner:

- (1) first, to the taxes, special assessments, penalties, and costs described in section 5(e) of this chapter;
- (2) second, to other delinquent property taxes in the manner provided in IC 6-1.1-23-5(b); and
- (3) third, to a separate "tax sale surplus fund".

(b) The:

- (1) owner of record of the real property at the time the tax deed is issued who is divested of ownership by the issuance of a tax deed;
- or
- (2) tax sale purchaser or purchaser's assignee, upon redemption of the tract or item of real property;

may file a verified claim for money which is deposited in the tax sale surplus fund. If the claim is approved by the county auditor and the county treasurer, the county auditor shall issue a warrant to the claimant for the amount due.

(c) If the person described in subsection (b)(1) acquired the property from a delinquent taxpayer after the property was sold at a tax sale

under this chapter, the county auditor may not issue a warrant to the person **under subsection (b)** unless:

(1) the person is ~~named on a tax sale surplus fund disclosure form filed with the county auditor under IC 32-21-8~~; **files a verified petition with the court; and**

(2) the court:

(A) holds a hearing on the matter; and

(B) issues an order to the county auditor to issue the warrant.

(d) An amount deposited in the tax sale surplus fund shall be transferred by the county auditor to the county general fund and may not be disbursed under subsection (b) if it is not claimed within the three (3) year period after the date of its receipt.

(e) If an amount applied to taxes under this section is later paid out of the county general fund to the purchaser or the purchaser's successor due to the invalidity of the sale, all the taxes shall be reinstated and recharged to the tax duplicate and collected in the same manner as if the property had not been offered for sale.

(f) When a refund is made to any purchaser or purchaser's successor by reason of the invalidity of a sale, the county auditor shall, at the December settlement immediately following the refund, deduct the amount of the refund from the gross collections in the taxing district in which the land lies and shall pay that amount into the county general fund."

Page 7, delete lines 1 through 23.

Page 8, line 14, strike "which exist at the time the certificate is issued." and insert "**except:**

(1) a lien granted priority under federal law; and

(2) the lien of the state or a political subdivision for taxes and special assessments that accrue after the sale."

Page 8, line 21, after "purchaser" delete "," and insert "**under section 4 of this chapter for a property listed according to section 1.5 of this chapter,**".

Page 9, between lines 31 and 32, begin a new line blocked left and insert:

"For purposes of this subsection, costs of giving notice means costs for postage, certified mailing, and publication."

Page 9, delete lines 36 through 42, begin a new paragraph and insert:

"SECTION 29. IC 6-1.1-25-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. **(a) Except as provided in subsection (b),** when real property is redeemed and the certificate of sale is surrendered to the county auditor, the auditor shall issue a warrant to the:

(1) purchaser; **or**

(2) purchaser's assignee; ~~or~~

~~(3) purchaser of the certificate of sale under IC 6-1.1-24;~~

in an amount equal to the amount received by the county treasurer for redemption. The county auditor shall ~~indorse~~ **endorse** the certificate and preserve it as a public record. If a certificate of sale is lost and the auditor is satisfied that the certificate did exist, the county auditor may make payment in the manner provided in this section.

(b) When real property sold under IC 6-1.1-24-6.1 is redeemed and the certificate of sale is surrendered to the county auditor, the county auditor shall issue a warrant to the purchaser of the certificate of sale, or the purchaser's assignee, in an amount equal to the remainder of:

(1) the amount received by the county treasurer for redemption; minus

(2) the remainder of:

(A) the amount of the minimum bid under IC 6-1.1-24-5(e) for which the tract or item of real property was last offered for sale; and

(B) the amount for which the certificate of sale was sold.

SECTION 30. IC 6-1.1-25-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) Except as provided in subsection (d), a purchaser or the purchaser's assignee is entitled to a tax deed to the property that was sold only if:

(1) the redemption period specified in section 4(a)(1) of this chapter has expired;

(2) the property has not been redeemed within the period of redemption specified in section 4(a) of this chapter; and

(3) not later than nine (9) months after the date of the sale:

(A) the purchaser or the purchaser's assignee; or

(B) in a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor;

1 gives notice of the sale to the owner of record at the time of the
 2 sale and any person with a substantial property interest of public
 3 record in the tract or real property.

4 (b) A county is entitled to a tax deed to property on which the
 5 county acquires a lien under IC 6-1.1-24-6 and for which the certificate
 6 of sale is not sold under IC 6-1.1-24-6.1 only if:

7 (1) the redemption period specified in section 4(b) of this chapter
 8 has expired;

9 (2) the property has not been redeemed within the period of
 10 redemption specified in section 4(b) of this chapter; and

11 (3) not later than ninety (90) days after the date the county
 12 acquires the lien under IC 6-1.1-24-6, the county auditor gives
 13 notice of the sale to:

14 (A) the owner of record at the time the lien was acquired; and

15 (B) any person with a substantial property interest of public
 16 record in the tract or real property.

17 (c) A purchaser of a certificate of sale under IC 6-1.1-24-6.1 is
 18 entitled to a tax deed to the property for which the certificate was sold
 19 only if:

20 (1) the redemption period specified in section 4(c) of this chapter
 21 has expired;

22 (2) the property has not been redeemed within the period of
 23 redemption specified in section 4(c) of this chapter; and

24 (3) not later than ninety (90) days after the date of sale of the
 25 certificate of sale under IC 6-1.1-24, the purchaser gives notice of
 26 the sale to:

27 (A) the owner of record at the time of the sale; and

28 (B) any person with a substantial property interest of public
 29 record in the tract or real property.

30 (d) A purchaser or the purchaser's assignee is entitled to a tax deed
 31 to the property that was sold under IC 6-1.1-24-5.5(b) only if:

32 (1) the redemption period specified in section 4(a)(4) of this
 33 chapter has expired;

34 (2) the property has not been redeemed within the period of
 35 redemption specified in section 4(a)(4) of this chapter; and

36 (3) not later than ninety (90) days after the date of the sale, the
 37 purchaser or the purchaser's assignee gives notice of the sale to:

38 (A) the owner of record at the time of the sale; and

1 (B) any person with a substantial property interest of public
2 record in the tract or real property.

3 (e) **Subject to subsection (l)**, the person required to give the notice
4 under subsection (a), (b), ~~or~~ (c), **or (d)** shall give the notice by sending
5 a copy of the notice by certified mail to:

6 (1) the owner of record at the time of the:

7 (A) sale of the property;

8 (B) acquisition of the lien on the property under IC 6-1.1-24-6;

9 or

10 (C) sale of the certificate of sale on the property under
11 IC 6-1.1-24;

12 at the last address of the owner for the property, as indicated in the
13 records of the county auditor; and

14 (2) any person with a substantial property interest of public record
15 at the address for the person included in the public record that
16 indicates the interest.

17 However, if the address of the person with a substantial property
18 interest of public record is not indicated in the public record that created
19 the interest **or the address indicated is no longer valid and a valid**
20 **address** cannot be located by ordinary means by the person required to
21 give the notice under subsection (a), (b), ~~or~~ (c), **or (d)**, the person may
22 give notice by publication in accordance with IC 5-3-1-4 once each
23 week for three (3) consecutive weeks.

24 (f) The notice that this section requires shall contain at least the
25 following:

26 (1) A statement that a petition for a tax deed will be filed on or
27 after a specified date.

28 (2) The date on or after which the petitioner intends to petition for
29 a tax deed to be issued.

30 (3) A description of the tract or real property shown on the
31 certificate of sale.

32 (4) The date the tract or real property was sold at a tax sale.

33 (5) The name of the:

34 (A) purchaser or purchaser's assignee;

35 (B) county that acquired the lien on the property under
36 IC 6-1.1-24-6; or

37 (C) person that purchased the certificate of sale on the property
38 under IC 6-1.1-24.

- 1 (6) A statement that any person may redeem the tract or real
2 property.
- 3 (7) The components of the amount required to redeem the tract or
4 real property.
- 5 (8) A statement that an entity identified in subdivision (5) is
6 entitled to reimbursement for additional taxes or special
7 assessments on the tract or real property that were paid by the
8 entity subsequent to the tax sale, lien acquisition, or purchase of
9 the certificate of sale, and before redemption, plus interest.
- 10 (9) A statement that the tract or real property has not been
11 redeemed.
- 12 (10) A statement that an entity identified in subdivision (5) is
13 entitled to receive a deed for the tract or real property if it is not
14 redeemed before the expiration of the period of redemption
15 specified in section 4 of this chapter.
- 16 (11) A statement that an entity identified in subdivision (5) is
17 entitled to reimbursement for costs described in section 2(e) of
18 this chapter.
- 19 (12) The date of expiration of the period of redemption specified
20 in section 4 of this chapter.
- 21 (13) A statement that if the property is not redeemed, the owner
22 of record at the time the tax deed is issued may have a right to the
23 tax sale surplus, if any.
- 24 (14) The street address, if any, or a common description of the
25 tract or real property.
- 26 (15) The key number or parcel number of the tract or real
27 property.
- 28 (g) The notice under this section must include not more than one (1)
29 tract or item of real property listed and sold in one (1) description.
30 However, when more than one (1) tract or item of real property is
31 owned by one (1) person, all of the tracts or real property that are
32 owned by that person may be included in one (1) notice.
- 33 (h) A single notice under this section may be used to notify joint
34 owners of record at the last address of the joint owners for the property
35 sold, as indicated in the records of the county auditor.
- 36 (i) The notice required by this section is considered sufficient if the
37 notice is mailed to the address required under subsection (e).
- 38 (j) The notice under this section and the notice under section 4.6 of

1 this chapter are not required for persons in possession not shown in the
2 public records.

3 (k) If the purchaser **of a certificate of sale under IC 6-1.1-24-6.1**
4 fails to:

5 (1) comply with subsection (c)(3); or

6 (2) **file a** petition for the issuance of a tax deed within the time
7 permitted under section 4.6(a) of this chapter;
8 the certificate of sale reverts to the county and may be retained by the
9 county or sold under IC 6-1.1-24-6.1.

10 **(l) A person is not required to mail the notice referred to in**
11 **subsection (e) by certified mail to a person with a mailing address**
12 **outside the United States.**

13 SECTION 31. IC 6-1.1-25-4.6 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.6. (a) After the
15 expiration of the redemption period specified in section 4 of this chapter
16 but not later than six (6) months after the expiration of the period of
17 redemption:

18 (1) the purchaser, the purchaser's assignee, the county, or the
19 purchaser of the certificate of sale under IC 6-1.1-24 may; or

20 (2) in a county where the county auditor and county treasurer have
21 an agreement under section 4.7 of this chapter, the county auditor
22 shall, upon the request of the purchaser or the purchaser's
23 assignee;

24 file a verified petition in the same court and under the same cause
25 number in which the judgment of sale was entered asking the court to
26 direct the county auditor to issue a tax deed if the real property is not
27 redeemed from the sale. Notice of the filing of this petition shall be
28 given to the same parties and ~~in the same manner as provided in by the~~
29 **method by which notice is given under** section 4.5 of this chapter,
30 except that, if notice is given by publication, only one (1) publication
31 is required. The notice required by this section is considered sufficient
32 if the notice is sent to the address required by section 4.5(e) of this
33 chapter. Any person owning or having an interest in the tract or real
34 property may file a written objection to the petition with the court not
35 later than thirty (30) days after the date the petition was filed. If a
36 written objection is timely filed, the court shall conduct a hearing on the
37 objection.

38 (b) Not later than sixty-one (61) days after the petition is filed under

subsubsection (a), the court shall enter an order directing the county auditor (on the production of the certificate of sale and a copy of the order) to issue to the petitioner a tax deed if the court finds that the following conditions exist:

(1) The time of redemption has expired.

(2) The tract or real property has not been redeemed from the sale before the expiration of the period of redemption specified in section 4 of this chapter.

(3) Except with respect to a petition for the issuance of a tax deed under a sale of the certificate of sale on the property under IC 6-1.1-24-6.1, all taxes and special assessments, penalties, and costs have been paid.

(4) The notices required by this section and section 4.5 of this chapter have been given.

(5) The petitioner has complied with all the provisions of law entitling the petitioner to a deed.

The county auditor shall execute deeds issued under this subsection in the name of the state under the county auditor's name. If a certificate of sale is lost before the execution of a deed, the county auditor shall issue a replacement certificate if the county auditor is satisfied that the original certificate existed.

(c) Upon application by the grantee of a valid tax deed in the same court and under the same cause number in which the judgment of sale was entered, the court shall enter an order to place the grantee of a valid tax deed in possession of the real estate. The court may enter any orders and grant any relief that is necessary or desirable to place or maintain the grantee of a valid tax deed in possession of the real estate.

(d) Except as provided in subsections (e) and (f), if the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure of the petitioner under subsection (a) to fulfill the requirements of this section, the court shall order the return of the purchase price minus a penalty of twenty-five percent (25%) of the amount of the purchase price. Penalties paid under this subsection shall be deposited in the county general fund.

(e) Notwithstanding subsection (d), in all cases in which:

(1) the petitioner under subsection (a) has made a bona fide attempt to comply with the statutory requirements under subsection (b) for the issuance of the tax deed but has failed to

- 1 comply with these requirements; and
- 2 (2) the court refuses to enter an order directing the county auditor
- 3 to execute and deliver the tax deed because of the failure to
- 4 comply with these requirements;
- 5 the county auditor shall not execute the deed but shall refund the
- 6 purchase money plus six percent (6%) interest per annum from the
- 7 county treasury to the purchaser, the purchaser's successors or
- 8 assignees, or the purchaser of the certificate of sale under IC 6-1.1-24.
- 9 The tract or item of real property, if it is then eligible for sale under
- 10 IC 6-1.1-24, shall be placed on the delinquent list as an initial offering
- 11 under IC 6-1.1-24-6.
- 12 (f) Notwithstanding subsections (d) and (e), the court shall not order
- 13 the return of the purchase price if:
- 14 (1) the purchaser or the purchaser of the certificate of sale under
- 15 IC 6-1.1-24 has failed to provide notice or has provided
- 16 insufficient notice as required by section 4.5 of this chapter; and
- 17 (2) the sale is otherwise valid.
- 18 (g) A tax deed executed under this section vests in the grantee an
- 19 estate in fee simple absolute, free and clear of all liens and
- 20 encumbrances created or suffered before or after the tax sale except
- 21 those liens granted priority under federal law, and the lien of the state
- 22 or a political subdivision for taxes and special assessments that accrue
- 23 subsequent to the sale. However, the estate is subject to all easements,
- 24 covenants, declarations, and other deed restrictions and laws governing
- 25 land use, including all zoning restrictions and liens and encumbrances
- 26 created or suffered by the purchaser at the tax sale. The deed is prima
- 27 facie evidence of:
- 28 (1) the regularity of the sale of the real property described in the
- 29 deed;
- 30 (2) the regularity of all proper proceedings; and
- 31 (3) valid title in fee simple in the grantee of the deed.
- 32 (h) A tax deed issued under this section is incontestable except by
- 33 appeal from the order of the court directing the county auditor to issue
- 34 the tax deed filed not later than sixty (60) days after the date of the
- 35 court's order.
- 36 SECTION 32. IC 6-1.1-25-4.7 IS AMENDED TO READ AS
- 37 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.7. (a) A county
- 38 auditor and county treasurer may enter into a mutual agreement for the

1 county auditor to perform the following duties instead of the purchaser:

2 (1) Notification and title search under section 4.5 of this chapter.

3 (2) Notification and petition to the court for the tax deed under
4 section 4.6 of this chapter.

5 (b) If a county auditor and county treasurer enter into an agreement
6 under this section, notice shall be given under ~~IC 6-1.1-24-2(a)(11)~~.
7 **IC 6-1.1-24-2(a)(12).**

8 SECTION 33. IC 6-1.1-25-7.5 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7.5. (a) This section
10 applies to ~~a county having a consolidated city~~. **all counties.**

11 (b) The county auditor shall provide the ~~metropolitan development~~
12 commission **(as defined in IC 6-1.1-24-1.5)** with a list of real property:

13 (1) included on the list prepared under IC 6-1.1-24-1.5;

14 (2) for which a certificate of sale has been issued; and

15 (3) for which the holder of the certificate has not requested the
16 county auditor to execute and deliver a deed.

17 **(c) This subsection does not apply to property described under**
18 **subsection (b) that the redevelopment commission desires to**
19 **acquire for redevelopment purposes under IC 36-7-17.5.** The
20 ~~metropolitan development~~ commission shall, within a reasonable time
21 after receiving a list under subsection (b), identify any property
22 described under subsection (b) that the ~~metropolitan development~~
23 commission desires to acquire for urban homesteading under
24 IC 36-7-17 or redevelopment purposes under **IC 36-7-14 or**
25 **IC 36-7-15.1.** The ~~metropolitan development~~ commission shall then
26 provide the county auditor with a list of the properties identified under
27 this subsection.

28 **(d) This subsection applies only to property described under**
29 **subsection (b) that the redevelopment commission desires to**
30 **acquire for redevelopment purposes under IC 36-7-17.5.** The
31 **redevelopment commission shall, within a reasonable time after**
32 **receiving the list under subsection (b), identify any property**
33 **described in subsection (b) that the redevelopment commission**
34 **desires to acquire for redevelopment purposes under IC 36-7-17.5.**
35 **The redevelopment commission shall then provide the county**
36 **auditor with a list of the properties identified under this subsection.**

37 ~~(d)~~ **(e)** The county auditor shall execute and deliver a deed for any
38 property identified under subsection (c) **or (d)** to the ~~metropolitan~~

1 ~~development~~ commission.

2 ~~(e)~~ **(f)** The county auditor shall execute and deliver a deed to the
3 county for any property:

- 4 (1) included in the notice prepared under subsection (b); and
5 (2) not identified under subsection (c) **or (d)**.

6 ~~(f)~~ **(g)** The ~~metropolitan development~~ commission and the county
7 may not pay for any property acquired under subsection ~~(d)~~ **or (e) or**
8 **(f)**. However, a taxing unit having an interest in the taxes on the real
9 property shall be credited with the full amount of the delinquent tax due
10 to that unit.

11 SECTION 34. IC 6-1.1-25-8 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. Each county auditor
13 shall maintain a tax sale record on the form prescribed by the state
14 board of accounts. The record shall contain:

15 (1) **the parcel number and** a description of each parcel of real
16 property:

- 17 (A) that is sold under IC 6-1.1-24;
18 (B) on which a county acquires a lien under IC 6-1.1-24-6; or
19 (C) for which a certificate of sale is ~~purchased~~ **sold** under
20 ~~IC 6-1.1-24~~; **IC 6-1.1-24-6.1**.

21 (2) the name of the owner of ~~the record of~~ real property **with a**
22 **single owner, or at least one (1) of the owners of record of real**
23 **property with multiple owners**, at the time of the:

- 24 (A) sale;
25 (B) lien acquisition; or
26 (C) **sale of the** certificate of sale; ~~purchase~~;

27 (3) the date of the:

- 28 (A) sale;
29 (B) lien acquisition; or
30 (C) **sale of the** certificate of sale; ~~purchase~~;

31 (4) the name and mailing address of the:

- 32 (A) purchaser of the property and, **if the purchaser assigned**
33 **the property**, the purchaser's assignee; or
34 (B) purchaser of the certificate of sale **and, if the purchaser**
35 **assigned the certificate of sale, the purchaser's assignee**;

36 (5) the amount of the minimum bid **under IC 6-1.1-24-5(e)**;

37 (6) the amount for which the:

- 38 (A) real property; or

- 1 (B) certificate of sale;
- 2 is sold;
- 3 (7) the amount of any taxes **or special assessments** paid **after the**
- 4 **sale** by the:
- 5 (A) purchaser of the real property or the purchaser's assignee;
- 6 or
- 7 (B) purchaser of the certificate of sale;
- 8 and the date of the payment;
- 9 (8) the amount of any costs certified to the county auditor under
- 10 section 2(e) of this chapter and the date of the certification;
- 11 (9) the name of the person, if any, who redeems the property;
- 12 (10) the date of redemption;
- 13 (11) the amount for which the property is redeemed;
- 14 (12) the date a deed, if any, to the real property is executed; ~~and~~
- 15 (13) the name of the grantee in the deed; **and**
- 16 **(14) for each sale of a certificate of sale under IC 6-1.1-24-6.1,**
- 17 **the amount referred to in IC 6-1.1-24-6.1(a)(3).**
- 18 SECTION 35. IC 6-1.1-25-9 IS AMENDED TO READ AS
- 19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) When a county
- 20 acquires title to real property under IC 6-1.1-24 and this chapter, the
- 21 county may dispose of the real property under IC 36-1-11 or subsection
- 22 (e). The proceeds of any sale under IC 36-1-11 shall be applied as
- 23 follows:
- 24 (1) First, to the cost of the sale or offering for sale of the real
- 25 property, including the cost of:
- 26 (A) maintenance;
- 27 (B) preservation;
- 28 (C) administration of the property before the sale or offering
- 29 for sale of the property;
- 30 (D) unpaid costs of the sale or offering for sale of the property;
- 31 (E) preparation of the property for sale;
- 32 (F) advertising; and
- 33 (G) appraisal.
- 34 (2) Second, to any unrecovered cost of the sale or offering for sale
- 35 of other real property in the same taxing district acquired by the
- 36 county under IC 6-1.1-24 and this chapter, including the cost of:
- 37 (A) maintenance;
- 38 (B) preservation;

- 1 (C) administration of the property before the sale or offering
- 2 for sale of the property;
- 3 (D) unpaid costs of the sale or offering for sale of the property;
- 4 (E) preparation of the property for sale;
- 5 (F) advertising; and
- 6 (G) appraisal.

7 (3) Third, to the payment of the taxes on the real property that
 8 were removed from the tax duplicate under section 4(c) of this
 9 chapter.

10 (4) Fourth, any surplus remaining into the county general fund.

11 (b) The county auditor shall file a report with the board of
 12 commissioners before January 31 of each year. The report must:

- 13 (1) list the real property acquired under IC 6-1.1-24 and this
- 14 chapter; and
- 15 (2) indicate if any person resides or conducts a business on the
- 16 property.

17 (c) **Subject to subsection (f)**, the county auditor shall mail a notice
 18 by certified mail before March 31 of each year to each person listed in
 19 subsection (b)(2). The notice must state that the county has acquired
 20 title to the tract the person occupies.

21 (d) If the county determines under IC 36-1-11 that any real property
 22 so acquired should be retained by the county, then the county shall not
 23 dispose of the real property. The county executive may repair, maintain,
 24 equip, alter, and construct buildings upon the real property so retained
 25 in the same manner prescribed for other county buildings.

26 (e) The county may transfer title to real property described in
 27 subsection (a) to the redevelopment commission at no cost to the
 28 commission for sale or grant under IC 36-7-14-22.2, IC 36-7-15.1-15.1,
 29 or IC 36-7-15.1-15.2.

30 **(f) The county auditor is not required to mail the notice referred**
 31 **to in subsection (c) by certified mail to a person with a mailing**
 32 **address outside the United States.**

33 SECTION 36. IC 7.1-3-9-7 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. ~~Ordinance Sent to~~
 35 ~~Commission.~~ The city clerk, **city clerk-treasurer**, or town ~~clerk~~
 36 **clerk-treasurer** of a city or town in which an ordinance proscribed by
 37 ~~IC 1971, 7.1-3-9-6; IC 7.1-3-9-6~~ has been enacted, shall, immediately
 38 upon the enactment, certify a copy of the ordinance and mail it by

1 registered mail to the commission. The commission, out of its expenses,
 2 shall pay the clerk one dollar ~~(\$1.00)~~, **(\$1)** for ~~his~~ **the clerk's** services
 3 in the matter.

4 SECTION 37. IC 8-1.5-1-6 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. "Fiscal officer"
 6 means:

- 7 (1) controller **or clerk-treasurer**, for a second class city;
- 8 (2) clerk-treasurer, for a third class city; or
- 9 (3) clerk-treasurer, for a town.

10 SECTION 38. IC 8-22-3-30 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 30. (a) All expenses
 12 incurred by the board that must be paid prior to the collection of taxes
 13 levied under this chapter shall be met and paid in the following manner.
 14 The board shall from time to time certify the items of expense to the
 15 **city** controller, ~~of the city, city clerk-treasurer, town~~ clerk-treasurer,
 16 ~~of the town, or county~~ auditor ~~of the county~~ in which the district is
 17 located, directing ~~him~~ **the city controller, city clerk-treasurer, town**
 18 **clerk-treasurer, or county auditor** to pay the amounts. ~~and~~ The fiscal
 19 officer shall draw ~~his~~ **a** warrant or warrants upon the treasurer of the
 20 city, town, or county, as applicable, which warrant or warrants shall be
 21 paid out of the general funds of the city, town, or county not already
 22 appropriated, without special appropriations being made by the fiscal
 23 body or approval by any other body.

24 (b) In case there are no unappropriated general funds of the city,
 25 town, or county, the fiscal officer shall recommend to the fiscal body
 26 the temporary transfer, from other funds of the city, town, or county, of
 27 a sufficient amount to meet the items of expense or the making of a
 28 temporary loan for the purpose. The fiscal body affected shall
 29 immediately make the transfer of funds or authorize the temporary
 30 loans in the same manner that other transfers and temporary loans are
 31 made by the city, town, or county. The total amount to be advanced
 32 may not exceed fifty thousand dollars (\$50,000) and the fund or funds
 33 of the city, town, county, or other entity from which the advancement
 34 is made shall be fully reimbursed and repaid by the authority out of the
 35 first proceeds of the special taxes levied under this chapter. No part of
 36 the funds advanced may be used in the acquisition of real property.

37 SECTION 39. IC 8-22-3.5-9 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) As used in this

1 section, "base assessed value" means:

2 (1) the net assessed value of all the tangible property as finally
 3 determined for the assessment date immediately preceding the
 4 effective date of the allocation provision of the commission's
 5 resolution adopted under section 5 of this chapter,
 6 **notwithstanding the date of the final action taken under**
 7 **section 6 of this chapter;** plus

8 (2) to the extent it is not included in subdivision (1), the net
 9 assessed value of property that is assessed as residential property
 10 under the rules of the department of local government finance, as
 11 finally determined for any assessment date after the effective date
 12 of the allocation provision.

13 However, subdivision (2) applies only to an airport development zone
 14 established after June 30, 1997, and the portion of an airport
 15 development zone established before June 30, 1997, that is added to an
 16 existing airport development zone.

17 (b) Except in a county described in section 1(5) of this chapter, a
 18 resolution adopted under section 5 of this chapter and confirmed under
 19 section 6 of this chapter must include a provision with respect to the
 20 allocation and distribution of property taxes for the purposes and in the
 21 manner provided in this section.

22 (c) The allocation provision must:

23 (1) apply to the entire airport development zone; and
 24 (2) require that any property tax on taxable tangible property
 25 subsequently levied by or for the benefit of any public body
 26 entitled to a distribution of property taxes in the airport
 27 development zone be allocated and distributed as provided in
 28 subsections (d) and (e).

29 (d) Except in a county described in section 1(5) of this chapter, and
 30 as otherwise provided in this section, the proceeds of the taxes
 31 attributable to the lesser of:

32 (1) the assessed value of the tangible property for the assessment
 33 date with respect to which the allocation and distribution is made;
 34 or

35 (2) the base assessed value;
 36 shall be allocated and, when collected, paid into the funds of the
 37 respective taxing units.

38 (e) Except in a county described in section 1(5) of this chapter, all

of the property tax proceeds in excess of those described in subsection (d) shall be allocated to the eligible entity for the airport development zone and, when collected, paid into special funds as follows:

(1) The commission may determine that a portion of tax proceeds shall be allocated to a training grant fund to be expended by the commission without appropriation solely for the purpose of reimbursing training expenses incurred by public or private entities in the training of employees for the qualified airport development project.

(2) ~~Except as provided in subsection (f), all remaining~~ **The commission may determine that a portion of** tax proceeds shall be allocated to a debt service fund and dedicated to the payment of principal and interest on revenue bonds of the airport authority for a qualified airport development project, ~~or to the payment of leases for a qualified airport development project, or to the payment of principal and interest on bonds issued by an eligible entity to pay for qualified airport development projects in the airport development zone or serving the airport development zone.~~

(3) ~~Except as provided in subsection (f), all remaining tax proceeds after allocations are made under subdivisions (1) and (2) shall be allocated to a project fund and dedicated to the reimbursement of expenditures made by the commission for a qualified airport development project that is in the airport development zone or is serving the airport development zone.~~

(f) Except in a county described in section 1(5) of this chapter, if the tax proceeds allocated to the ~~debt service project~~ fund in subsection (e)(3) exceed the amount necessary to

~~(1) pay principal and interest on airport authority revenue bonds;~~

~~(2) pay lease rentals on leases of a qualified airport development project; or~~

~~(3) create, maintain, or restore a reserve for airport authority revenue bonds or for lease rentals or leases of a qualified airport development project;~~

satisfy amounts required under subsection (e), the excess in the project fund over that amount shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(g) Except in a county described in section 1(5) of this chapter,

when money in the debt service fund **and in the project fund** is sufficient to pay all outstanding principal and interest (to the earliest date on which the obligations can be redeemed) on revenue bonds issued by the airport authority for the financing of qualified airport development projects, ~~and~~ all lease rentals payable on leases of qualified airport development projects, **and all costs and expenditures associated with all qualified airport development projects**, money in the debt service fund **and in the project fund** in excess of ~~that amount~~ **those amounts** shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(h) Except in a county described in section 1(5) of this chapter, property tax proceeds allocable to the debt service fund under subsection (e)(2) must, subject to subsection (g), be irrevocably pledged by the eligible entity for the purpose set forth in subsection (e)(2).

(i) Except in a county described in section 1(5) of this chapter, and notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable tangible property situated upon or in, or added to, the airport development zone effective on the next assessment date after the petition.

(j) Except in a county described in section 1(5) of this chapter, and notwithstanding any other law, the assessed value of all taxable tangible property in the airport development zone, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the tangible property as valued without regard to this section; or

(2) the base assessed value.

SECTION 40. IC 9-21-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) Except as provided in subsection (e), whenever a local authority in the authority's jurisdiction determines ~~on the basis of an engineering and traffic investigation~~ that the maximum speed permitted under this chapter is greater or less than reasonable and safe under the conditions found to exist on a highway or part of a highway, the local authority may determine and declare a reasonable and safe maximum limit on the highway. The maximum limit declared under this section may do any of the following:

- 1 (1) Decrease the limit within urban districts, but not to less than
- 2 twenty (20) miles per hour.
- 3 (2) Increase the limit within an urban district, but not to more than
- 4 fifty-five (55) miles per hour during daytime and fifty (50) miles
- 5 per hour during nighttime.
- 6 (3) Decrease the limit outside an urban district, but not to less than
- 7 thirty (30) miles per hour.
- 8 (4) Decrease the limit in an alley, but to not less than five (5)
- 9 miles per hour.
- 10 (5) Increase the limit in an alley, but to not more than thirty (30)
- 11 miles per hour.

12 **The local authority must perform an engineering and traffic**
 13 **investigation before a determination may be made to change a**
 14 **speed limit under subdivision (2), (3), (4), or (5) or before the speed**
 15 **limit within an urban district may be decreased to less than**
 16 **twenty-five (25) miles per hour under subdivision (1).**

17 (b) A local authority in the authority's jurisdiction shall determine
 18 by an engineering and traffic investigation the proper maximum speed
 19 for all local streets and shall declare a reasonable and safe maximum
 20 speed permitted under this chapter for an urban district. **However, an**
 21 **engineering and traffic study is not required to be performed for**
 22 **the local streets in an urban district under this subsection if the**
 23 **local authority determines that the proper maximum speed in the**
 24 **urban district is not less than twenty-five (25) miles per hour.**

25 (c) An altered limit established under this section is effective at all
 26 times or during hours of darkness or at other times as may be
 27 determined when appropriate signs giving notice of the altered limit are
 28 erected on the street or highway.

29 (d) Except as provided in this subsection, a local authority may not
 30 alter a speed limit on a highway or extension of a highway in the state
 31 highway system. A city or town may establish speed limits on state
 32 highways upon which a school is located. However, a speed limit
 33 established under this subsection is valid only if the following
 34 conditions exist:

- 35 (1) The limit is not less than twenty (20) miles per hour.
- 36 (2) The limit is imposed only in the immediate vicinity of the
- 37 school.
- 38 (3) Children are present.

- 1 (4) The speed zone is properly signed.
- 2 (5) The Indiana department of transportation has been notified of
- 3 the limit imposed by certified mail.
- 4 (e) A local authority may decrease a limit on a street to not less than
- 5 fifteen (15) miles per hour if the following conditions exist:
- 6 (1) The street is located within a park or playground established
- 7 under IC 36-10.
- 8 (2) The:
- 9 (A) board established under IC 36-10-3;
- 10 (B) board established under IC 36-10-4; or
- 11 (C) park authority established under IC 36-10-5;
- 12 requests the local authority to decrease the limit.
- 13 (3) The speed zone is properly signed.
- 14 SECTION 41. IC 9-22-1-27 IS AMENDED TO READ AS
- 15 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 27. (a) This section
- 16 applies to sales of abandoned vehicles or parts by local units.
- 17 (b) The proceeds from the sale of abandoned vehicles or parts,
- 18 including:
- 19 (1) charges for bills of sale; and
- 20 (2) money received from persons who own or hold liens on
- 21 vehicles for the cost of removal or storage of vehicles;
- 22 shall be deposited with the county treasurer, ~~or the city controller, or~~
- 23 ~~the city clerk-treasurer of a second class city,~~ and placed by the
- 24 ~~county~~ treasurer, ~~or city controller, or city clerk-treasurer~~ in the unit's
- 25 abandoned vehicle fund.
- 26 (c) The costs incurred by a public agency in administering this
- 27 chapter shall be paid from the abandoned vehicle fund.
- 28 (d) The fiscal body shall annually appropriate sufficient money to
- 29 the fund to carry out this chapter. Money remaining in the fund at the
- 30 end of a year remains in the fund and does not revert to the general
- 31 fund.
- 32 (e) Notwithstanding subsection (d), the fiscal body of a consolidated
- 33 city may transfer money from the fund.
- 34 SECTION 42. IC 10-18-4-3 IS AMENDED TO READ AS
- 35 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The legislative
- 36 body of a city may, upon recommendation of the mayor and city
- 37 controller ~~or city clerk-treasurer,~~ if applicable, by ordinance adopted
- 38 and approved as provided in section 22 of this chapter, appropriate for

1 the use of the board of public works of the city money of the city for
2 World War memorial and other public purposes.

3 (b) Any money and the total of all money appropriated under this
4 chapter may not exceed six-tenths of one percent (0.6%) of the adjusted
5 value of the taxable property of the city as determined under
6 IC 36-1-15.

7 (c) The board of public works, with the approval of the mayor, may
8 use the funds so appropriated for any of the purposes described in
9 section 2 of this chapter.

10 SECTION 43. IC 10-18-4-5 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A city may
12 appropriate money for use of the board of public works of the city for
13 any of the purposes provided in this chapter, either out of the general
14 funds of the city or from the proceeds of a bond issue for those
15 purposes.

16 (b) A city may sell bonds for the purpose of raising funds to comply
17 with this chapter.

18 (c) Except as provided in this chapter, the appropriation of money
19 and the sale of bonds by a city is governed by the law relating to the
20 appropriation of money and the sale of bonds by the city for other city
21 purposes.

22 (d) The legislative body of a city may, by ordinance adopted and
23 approved as provided in section 22 of this chapter, do any of the
24 following:

25 (1) Authorize the city controller **or city clerk-treasurer**, if
26 applicable, and the mayor, in the name of the city, to make
27 permanent loans of money for any of the purposes of this chapter
28 of any amount not more than six-tenths of one percent (0.6%) of
29 the adjusted value of taxable property of the city as determined
30 under IC 36-1-15.

31 (2) Authorize the city controller **or city clerk-treasurer**, if
32 applicable, and mayor of the city to issue bonds for the purpose of
33 funding or refunding loans made by the city under this chapter.
34 Except as provided in this chapter, any loans must be made and
35 governed by the law concerning permanent loans by cities. Any
36 bonds must satisfy all of the following:

37 (A) The bonds may be issued in any denomination of not more
38 than one thousand dollars (\$1,000) each and in not less than

- 1 twenty (20) or more than fifty (50) series. Each series must be
2 for the amount as provided by the ordinance.
- 3 (B) The bonds must be payable one (1) series each year,
4 beginning on July 1 of the fifth year after the issue of the
5 bonds.
- 6 (C) The bonds must be negotiable as inland bills of exchange.
- 7 (D) The bonds must bear interest at the rate of not more than
8 six percent (6%) a year, payable semiannually on July 1 and
9 January 1 of each year.
- 10 (3) Authorize the city controller **or the city clerk-treasurer**, if
11 applicable, and mayor, in advertising for the sale of bonds, to ask
12 for competitive bids on the bonds on any series of not less than
13 twenty (20) nor more than fifty (50). The city controller **or the**
14 **city clerk-treasurer**, if applicable, and mayor may accept the bid
15 that, in their judgment, is the most advantageous bid to the city.
- 16 (e) Bonds issued under this chapter are exempt from taxation for all
17 purposes.
- 18 (f) A series of bonds issued under this chapter may not be for less
19 than two percent (2%) of the total amount of bonds issued.
- 20 (g) The proceeds of bonds sold under this chapter by the city,
21 including any premium on the bonds, must be kept as a separate and
22 specific fund, to be known as the World War memorial fund. Money in
23 the fund may be used only for any of the purposes described in section
24 2 of this chapter.
- 25 (h) The city legislative body may, by ordinance, transfer to the
26 World War memorial bond fund any surplus finally remaining in the
27 World War memorial fund, after all the demands on the city for money
28 in the World War memorial fund have been paid and discharged.
- 29 (i) A suit to question the validity of any bond issued under this
30 chapter may not be instituted after the date set for the sale of the bonds.
31 All bonds, beginning on the date set for the sale of the bonds, are
32 incontestable for any cause.
- 33 SECTION 45. IC 10-18-4-18 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. (a) The legislative
35 body of a city may, upon the recommendation of the mayor and city
36 controller **or city clerk-treasurer**, if applicable, of the city, instead of
37 selling bonds as provided in section 5 of this chapter, sell bonds:
38 (1) with a maturity of not more than ten (10) years;

- 1 (2) for any of the purposes authorized by this chapter;
2 (3) at a rate of interest not more than six percent (6%) a year,
3 payable semiannually; and
4 (4) payable at their maturity, but not later than ten (10) years after
5 the date of the issuance of the bonds.

6 If the bonds are issued for a period longer than five (5) years, at least
7 two percent (2%) of the total issue of the bonds must mature each year
8 after the fifth year, and the balance must mature and be paid or
9 refunded not later than ten (10) years after the date of issuance.

10 (b) Bonds issued under this section, the taxes to pay the bonds as
11 they mature, and interest accruing on the bonds must be levied in
12 accordance with sections 5 and 6 of this chapter.

13 (c) The city's legislative body may refund bonds sold under this
14 section with other bond issues in accordance with section 5 and other
15 provisions of this chapter relating to the sale of bonds. The city's
16 legislative body may name the date when the first series of refunding
17 bonds is due. However, the due date of the first series due may not be
18 more than five (5) years from the date of issue.

19 SECTION 46. IC 11-13-1-1 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A court or
21 division of a court authorized to impose probation shall appoint one (1)
22 or more probation officers, depending on the needs of the court, except
23 that two (2) or more divisions within a court, two (2) or more courts
24 within a county, or two (2) or more courts not in the same county may
25 jointly appoint and employ one (1) or more probation officers for the
26 purpose of meeting the requirements of this section.

27 (b) A person may be appointed as a probation officer after the
28 effective date established by the judicial conference of Indiana only if
29 that person meets the minimum employment qualifications adopted by
30 the conference, except that this requirement does not apply to any
31 person certified as a qualified probation officer before that effective
32 date. Any uncertified person appointed as a probation officer after the
33 effective date who fails to successfully complete the written
34 examination established under section 8 of this chapter within six (6)
35 months after the date of the person's appointment is prohibited from
36 exercising the powers of a probation officer as granted by law.

37 (c) Probation officers shall serve at the pleasure of the appointing
38 court and are directly responsible to and subject to the orders of the

1 court. The amount and time of payment of salaries of probation officers
 2 shall be fixed by the county, city, or town fiscal body in accordance
 3 with the salary schedule adopted by the county, city, or town fiscal
 4 body under IC 36-2-16.5. The salary of a probation officer shall be paid
 5 out of the county, city, or town treasury by the county auditor, ~~or~~ city
 6 controller, **or city clerk-treasurer**. Probation officers are entitled to
 7 their actual expenses necessarily incurred in the performance of their
 8 duties. Probation officers shall give a bond if the court so directs in a
 9 sum to be fixed by the court.

10 (d) A court, or two (2) or more courts acting jointly, may designate
 11 a probation officer to direct and supervise the work of the probation
 12 department.

13 SECTION 47. IC 32-21-2-3 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. For a conveyance,
 15 a mortgage, or an instrument of writing to be recorded, it must be:

16 (1) acknowledged by the grantor; or

17 (2) proved before a:

18 (A) judge;

19 (B) clerk of a court of record;

20 (C) county auditor;

21 (D) county recorder;

22 (E) notary public;

23 (F) mayor of a city in Indiana or any other state;

24 (G) commissioner appointed in a state other than Indiana by
 25 the governor of Indiana;

26 (H) minister, charge d'affaires, or consul of the United States
 27 in any foreign country;

28 (I) clerk of the city county council for a consolidated city, city
 29 clerk **or clerk-treasurer** for a second class city, or
 30 clerk-treasurer for a third class city;

31 (J) clerk-treasurer for a town; or

32 (K) person authorized under IC 2-3-4-1.

33 SECTION 48. IC 32-24-2-1 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. As used in this
 35 chapter, "fiscal officer" means:

36 (1) the city controller of a consolidated city; ~~or~~

37 **(2) the city controller or the city clerk-treasurer of a second**
 38 **class city;**

- 1 ~~(2)~~ **(3)** the city clerk-treasurer of a third class city; or
 2 ~~(3)~~ **(4)** the town clerk-treasurer of a town.

3 SECTION 49. IC 33-35-3-1 IS AMENDED TO READ AS
 4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The officers of
 5 a city court are a:

- 6 (1) judge;
 7 (2) clerk; and
 8 (3) bailiff.

9 However, in third class cities **and in second class cities that elect a**
 10 **clerk-treasurer**, the judge may act as clerk and perform all duties of
 11 the clerk of the court or appoint a clerk of the court. If the judge does
 12 not act as clerk of the court or appoint a clerk of the court, the city
 13 clerk-treasurer elected under IC 3-10-6 shall perform the duties of the
 14 clerk of the city court.

15 (b) The clerk is an officer of a town court. The judge of a town court
 16 may act as clerk and perform all duties of the clerk of the court or
 17 appoint a clerk of the court. If the judge does not act as a clerk of the
 18 court or appoint a clerk of the court, the town clerk-treasurer elected
 19 under IC 3-10-6 or IC 3-10-7 shall perform the duties of the clerk of the
 20 town court.

21 (c) The clerk and bailiff may not receive any fees or compensation
 22 other than their salaries.

23 SECTION 50. IC 33-35-3-2 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) In **a second class**
 25 **cities, city that does not elect a clerk-treasurer**, the city clerk is the
 26 clerk of the city court.

27 **(b) In a second class city that is not described in subsection (a)**
 28 **and the city clerk of in** a third class city, **the clerk-treasurer** is the
 29 clerk of the city court if the judge does not serve as clerk or appoint a
 30 clerk under section 1 of this chapter.

31 ~~(b)~~ **(c)** A city clerk **or city clerk-treasurer** of a second class city, a
 32 city clerk-treasurer of a third class city, or an appointed clerk in a third
 33 class city who serves as the clerk of the city court shall give bond as
 34 prescribed in this chapter.

35 ~~(c)~~ **(d)** The clerk may administer oaths.

36 ~~(d)~~ **(e)** The clerk of a city or town court shall:

- 37 (1) issue all process of the court, affix the seal of the court to the
 38 process, and attest to the process;

- 1 (2) keep a complete record and docket of all cases showing:
 - 2 (A) the name of a person who was arrested and brought before
 - 3 the court;
 - 4 (B) the disposition of the case; and
 - 5 (C) an account of the:
 - 6 (i) fees;
 - 7 (ii) fines;
 - 8 (iii) penalties;
 - 9 (iv) forfeitures;
 - 10 (v) judgments;
 - 11 (vi) executions;
 - 12 (vii) decrees; and
 - 13 (viii) orders;
 - 14 in as near to the same manner as the records are kept by the
 - 15 clerk of the circuit court; and
 - 16 (3) collect all:
 - 17 (A) fees;
 - 18 (B) fines;
 - 19 (C) penalties and forfeitures;
 - 20 (D) judgments;
 - 21 (E) executions; and
 - 22 (F) money;
 - 23 accruing to the city or town from the enforcement of ordinances.
 - 24 ~~(e)~~ (f) At the close of each week, the clerk shall make and deliver to
 - 25 the city controller of a second class city, **clerk-treasurer of a second**
 - 26 **class city**, clerk-treasurer of a third class city, or clerk-treasurer of a
 - 27 town a written report of all cases in which the clerk has received or
 - 28 collected any fines or forfeitures due the city or town. The clerk shall
 - 29 then pay over the money to the controller or clerk-treasurer and take a
 - 30 receipt for the payment.
 - 31 ~~(f)~~ (g) At the end of each month, the clerk shall make out and deliver
 - 32 to the county treasurer of the county in which the city or town is located
 - 33 a written report of all cases in which the clerk has received or collected
 - 34 any fines or forfeitures due the state during the month and pay to the
 - 35 county treasurer all fines or forfeitures collected, taking a receipt for the
 - 36 payment.
 - 37 ~~(g)~~ (h) In cities in which the county treasurer rather than the city
 - 38 controller receives city money for deposit, the clerk shall report and

1 deliver the money to the county treasurer.

2 ~~(h)~~ **(i)** The clerk shall deposit all court costs collected by the clerk
3 in accordance with IC 33-37-7-12. The clerk shall distribute the state
4 and county share of court costs collected in accordance with
5 IC 33-37-7-7 or IC 33-37-7-8.

6 SECTION 51. IC 33-35-3-9 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) This section
8 applies after June 30, 2005.

9 (b) A clerk of a city court in a county having a population of more
10 than four hundred thousand (400,000) but less than seven hundred
11 thousand (700,000) shall deposit all court costs collected by the clerk
12 in accordance with IC 33-37-7-12.

13 **(c)** The fees received by the controller ~~from the clerk or the city~~
14 **clerk-treasurer** shall be paid into the city treasury at the time of the
15 semiannual settlement for city revenue.

16 ~~(e)~~ **(d)** If the party instituting an action or a proceeding recovers
17 judgment, the judgment must also include as costs an amount equal to
18 the small claims costs fee and the small claims service fee prescribed
19 under IC 33-37-4-5 or IC 33-37-4-6.

20 ~~(d)~~ **(e)** Money paid in advance for costs remaining unexpended at
21 the time a civil action or proceeding is terminated, whether by reason
22 of dismissal or otherwise, must be returned to the party or parties
23 making payment. However, this section does not apply to civil actions
24 or proceedings instituted by or on behalf of the state or any of the state's
25 political subdivisions.

26 SECTION 52. IC 36-1-2-4 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. "Clerk" means:

- 28 (1) clerk of the circuit court, for a county;
- 29 (2) county auditor, for a board of county commissioners or county
30 council;
- 31 (3) clerk of the city-county council, for a consolidated city;
- 32 (4) city clerk **or city clerk-treasurer** for a second class city;
- 33 (5) clerk-treasurer, for a third class city; or
- 34 (6) clerk-treasurer, for a town.

35 SECTION 53. IC 36-1-2-7 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. "Fiscal officer"
37 means:

- 38 (1) auditor, for a county;

- (2) controller, for a consolidated city; ~~or~~
(3) controller or clerk-treasurer for a second class city;
~~(3) (4)~~ clerk-treasurer, for a third class city;
~~(4) (5)~~ clerk-treasurer, for a town; or
~~(5) (6)~~ trustee, for a township.

SECTION 54. IC 36-2-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]:

Sec. 13. **(a) Except as provided in subsection (b),** the compensation of an elected county officer may not be changed in the year for which it is fixed. The compensation of other county officers, deputies, and employees or the number of each may be changed at any time on:

- (1) the application of the county fiscal body or the affected officer, department, commission, or agency; and
 (2) a majority vote of the county fiscal body.

(b) In the year in which a newly elected county officer takes office, the county fiscal body may at any time change the compensation for holding the county office for that year if:

- (1) the county officer requests the compensation change or, in the case of the county executive body, a majority of the county executive body requests the change; and**
(2) the county fiscal body votes to approve the change.

SECTION 55. IC 36-4-1-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.1. (a) Except as provided in subsection (b), a third class city remains a third class city even though the city attains a population of at least thirty-five thousand (35,000) at a federal decennial census.

(b) The legislative body of a city to which subsection (a) applies may, by ordinance, adopt second class city status.

(c) After June 30, 2005, a third class city may, in the ordinance adopting second class status, choose to elect a city clerk-treasurer of the second class city. A city that adopts an ordinance to elect a city clerk-treasurer of the second class city under this subsection may not elect or appoint the following:

- (1) A city clerk.**
(2) A city controller.

SECTION 56. IC 36-4-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The legislative body shall hold its first regular meeting ~~in its chamber at 7:30 p.m. on~~

1 ~~the first Monday~~ in January after its election. In subsequent months, the
 2 legislative body shall hold regular meetings at least once a month,
 3 unless its rules require more frequent meetings.

4 (b) A special meeting of the legislative body shall be held when
 5 called by the city executive or when called under the rules of the
 6 legislative body.

7 SECTION 57. IC 36-4-6-8 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This subsection
 9 applies only to second class cities. At its first regular meeting under
 10 section 7 of this chapter, and ~~on the first Monday of~~ each succeeding
 11 January, the legislative body shall choose from its members a president
 12 and a vice president.

13 (b) This subsection applies only to third class cities. The city
 14 executive shall preside at all meetings of the legislative body, but may
 15 vote only in order to break a tie. At its first regular meeting under
 16 section 7 of this chapter, and ~~on the first Monday of~~ each succeeding
 17 January, the legislative body shall choose from its members a president
 18 pro tempore to preside whenever the executive is absent.

19 SECTION 58. IC 36-4-6-20 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 20. (a) The legislative
 21 body may, by ordinance, make loans of money for not more than ~~five~~
 22 ~~(5)~~ **ten (10)** years and issue notes for the purpose of refunding those
 23 loans. The loans may be made only for the purpose of procuring money
 24 to be used in the exercise of the powers of the city, and the total amount
 25 of outstanding loans under this subsection may not exceed five percent
 26 (5%) of the city's total tax levy in the current year (excluding amounts
 27 levied to pay debt service and lease rentals). Loans under this
 28 subsection shall be made in the same manner as loans made under
 29 section 19 of this chapter, except that:

30 (1) the ordinance authorizing the loans must pledge to their
 31 payment a sufficient amount of tax revenues over the ensuing ~~five~~
 32 ~~(5)~~ **ten (10)** years to provide for refunding the loans; and

33 (2) the loans must be evidenced by notes of the city in terms
 34 designating the nature of the consideration, the time and place
 35 payable, and the revenues out of which they will be payable.

36 Notes issued under this subsection are not bonded indebtedness for
 37 purposes of IC 6-1.1-18.5.

38 (b) The legislative body may, by ordinance, make loans and issue

notes for the purpose of refunding those loans in anticipation of revenues of the city that are anticipated to be levied and collected during the term of the loans. The term of a loan made under this subsection may not be more than ~~five (5)~~ **ten (10)** years. Loans under this subsection shall be made in the same manner as loans made under section 19 of this chapter, except that:

(1) the ordinance authorizing the loans must appropriate and pledge to their payment a sufficient amount of the revenues in anticipation of which they are issued and out of which they are payable; and

(2) the loans must be evidenced by time warrants of the city in terms designating the nature of the consideration, the time and place payable, and the revenues in anticipation of which they are issued and out of which they are payable.

(c) An action to contest the validity of a loan made under this section must be brought within fifteen (15) days from the day on which the ordinance is adopted.

SECTION 59. IC 36-4-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) This section does not apply to compensation paid by a city to members of its police and fire departments.

(b) Subject to the approval of the city legislative body, the city executive shall fix the compensation of each appointive officer, deputy, and other employee of the city. The legislative body may reduce but may not increase any compensation fixed by the executive. Compensation must be fixed under this section ~~before~~

~~(1) September 20 for a third class city; and~~

~~(2) September 30 for a second class city;~~

not later than September 30 of each year for the ensuing budget year.

(c) Compensation fixed under this section may not be increased during the budget year for which it is fixed, but may be reduced by the executive.

(d) Notwithstanding subsection (b), the city clerk may, with the approval of the legislative body, fix the salaries of deputies and employees appointed under IC 36-4-11-4.

SECTION 60. IC 36-4-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. If the city legislative body does not pass the ~~ordinances~~ **ordinance** required by

section 7 of this chapter ~~on or before~~

(1) ~~September 20 for a third class city; and~~

(2) ~~September 30 for a second class city;~~

before October 1 of each year, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

SECTION 61. IC 36-4-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) This section applies only to second class cities.

(b) The city executive shall appoint:

(1) a city controller, **if the city does not elect a city clerk-treasurer;**

(2) a city civil engineer;

(3) a corporation counsel;

(4) a chief of the fire department;

(5) a chief of the police department; and

(6) other officers, employees, boards, and commissions required by statute.

(c) The board of public works and safety may be composed of three (3) members or five (5) members appointed by the executive. A member may hold other appointive positions in city government during the member's tenure. IC 36-4-11-2 applies to board member appointments under this section. The executive shall appoint a clerk for the board.

(d) If the board of public works and board of public safety are established as separate boards, each board may be composed of three (3) members or five (5) members who are appointed by the executive. A member may hold other appointive positions in city government during the member's tenure. The executive shall appoint a clerk for each board.

SECTION 62. IC 36-4-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A city clerk shall be elected under IC 3-10-6 by the voters of each second class city ~~and~~ **if the city does not elect a city clerk-treasurer.** A city clerk-treasurer shall be elected under IC 3-10-6 by the voters of each:

(1) **second class city that establishes the office of city clerk-treasurer under IC 36-4-1-1.1; and**

(2) third class city.

(b) The city clerk or clerk-treasurer is the clerk of each city.

(c) The city controller appointed under IC 36-4-9-6 is the fiscal officer of each second class city ~~and that does not elect a city clerk-treasurer~~. The city clerk-treasurer is the fiscal officer of each:

- (1) **second class city that establishes the office of clerk-treasurer under IC 36-4-1-1.1; and**
- (2) third class city.

(d) The city controller of a second class city is not liable, in an individual capacity, for any act or omission occurring in connection with the performance of the city controller's duty as fiscal officer of the second class city, unless the act or omission constitutes gross negligence or an intentional disregard of the controller's duty.

(e) The term of office of a city clerk or clerk-treasurer is four (4) years, beginning at noon on January 1 after election and continuing until a successor is elected and qualified.

SECTION 63. IC 36-4-10-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) This section applies to:

- (1) third class cities; **and**
- (2) **second class cities that elect a city clerk-treasurer.**

(b) The fiscal officer is the head of the city department of finance. The fiscal officer shall do the following:

- (1) Receive and care for all city money and pay the money out only on order of the approving body.
- (2) Keep accounts showing when and from what sources the fiscal officer has received city money and when and to whom the fiscal officer has paid out city money.
- (3) Prescribe payroll and account forms for all city offices.
- (4) Prescribe the manner in which creditors, officers, and employees shall be paid.
- (5) Manage the finances and accounts of the city and make investments of city money.
- (6) Prepare for the legislative body the budget estimates of miscellaneous revenue financial statements and the proposed tax rate.
- (7) Issue all licenses authorized by statute and collect the fees fixed by ordinance.
- (8) Serve as clerk of the board of public works by attending meetings, preparing agendas, and recording proceedings.

1 (9) Perform all other duties prescribed by statute.

2 (c) A fiscal officer is not liable in an individual capacity for an act
3 or omission occurring in connection with the performance of the duties
4 prescribed by subsection (b), unless the act or omission constitutes
5 gross negligence or an intentional disregard of the fiscal officer's
6 duties.

7 SECTION 64. IC 36-4-10-5 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) This section
9 applies to ~~second class cities~~. **a second class city that has a city**
10 **controller.**

11 (b) The fiscal officer is the head of the city department of finance.
12 The fiscal officer shall do the following:

13 (1) Prescribe the form of reports and accounts to be submitted to
14 the department.

15 (2) Sign and issue all warrants on the city treasury.

16 (3) Audit and revise all accounts and trusts in which the city is
17 concerned.

18 (4) Keep separate accounts for each item of appropriation made
19 for each city department, including a statement showing the
20 amount drawn on each appropriation, the unpaid contracts charged
21 against it, and the balance remaining.

22 (5) At the end of each fiscal year, submit under oath to the city
23 legislative body a report of the accounts of the city published in
24 pamphlet form and showing revenues, receipts, expenditures, and
25 the sources of revenues.

26 (6) Maintain custody of the records of the department and turn
27 them over to the fiscal officer's successor in office.

28 (7) Perform duties prescribed by statute concerning the
29 negotiation of city bonds, notes, and warrants.

30 (8) Keep a register of bonds of the city and of transfers of those
31 bonds.

32 (9) Manage the finances and accounts of the city and make
33 investments of city money, subject to the ordinances of the
34 legislative body.

35 (10) Issue city licenses on payment of the license fee.

36 (11) Collect fees as fixed by ordinance.

37 (12) Pay into the city treasury, once each week, all fees and other
38 city money collected by the department during the preceding

- 1 week, specifying the source of each item.
- 2 (13) Prescribe payroll and account forms for all city offices.
- 3 (14) Prescribe the manner in which salaries shall be drawn.
- 4 (15) Prescribe the manner in which creditors, officers, and
- 5 employees shall be paid.
- 6 (16) Provide that all salaries are payable monthly, unless the
- 7 legislative body establishes more frequent payments.
- 8 (17) Notify the city executive of the failure of any city officer to
- 9 collect money due the city or to pay city money into the city
- 10 treasury.
- 11 (18) Draw warrants on the city treasury for miscellaneous city
- 12 expenditures not made under the direction of a department and not
- 13 specifically fixed by statute.
- 14 SECTION 65. IC 36-4-10-7 IS AMENDED TO READ AS
- 15 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) This section
- 16 applies to third class cities **and to second class cities that elect a city**
- 17 **clerk-treasurer.**
- 18 (b) The clerk shall appoint the number of deputies and employees
- 19 needed for the effective operation of the office, with the approval of the
- 20 city legislative body. The clerk's deputies and employees serve at the
- 21 clerk's pleasure.
- 22 (c) If a city owns a utility and the clerk is directly responsible for the
- 23 billing and collection of that utility's rates and charges, the clerk shall
- 24 appoint those employees who are also responsible for that billing and
- 25 collection. These employees serve at the clerk's pleasure.
- 26 (d) Whenever the city court judge does not serve as clerk of the city
- 27 court or appoint a clerk to serve as clerk of the city court under
- 28 IC 33-35-3-1, the clerk shall serve as clerk of the city court.
- 29 SECTION 66. IC 36-5-2-11 IS AMENDED TO READ AS
- 30 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) The legislative
- 31 body may issue bonds for the purpose of procuring money to be used
- 32 in the exercise of the powers of the town and for the payment of town
- 33 debts. However, a town may not issue bonds to procure money to pay
- 34 current expenses.
- 35 (b) Bonds issued under this section are payable in the amounts and
- 36 at the times determined by the legislative body.
- 37 (c) Bonds issued under this section are subject to the provisions of
- 38 IC 5-1 and IC 6-1.1-20 relating to the filing of a petition requesting the

1 issuance of bonds and giving notice of the petition, the giving of notice
 2 of a hearing on the appropriation of the proceeds of bonds, the right of
 3 taxpayers to appear and be heard on the proposed appropriation, the
 4 approval of the appropriation by the department of local government
 5 finance, the right of taxpayers to remonstrate against the issuance of
 6 bonds, and the sale of bonds at public sale for not less than their par
 7 value.

8 (d) The legislative body may, by ordinance, make loans of money
 9 for not more than ~~five (5)~~ **ten (10)** years and issue notes for the purpose
 10 of refunding those loans. The loans may be made only for the purpose
 11 of procuring money to be used in the exercise of the powers of the
 12 town, and the total amount of outstanding loans under this subsection
 13 may not exceed five percent (5%) of the town's total tax levy in the
 14 current year (excluding amounts levied to pay debt service and lease
 15 rentals). Loans under this subsection shall be made as follows:

16 (1) The ordinance authorizing the loans must pledge to their
 17 payment a sufficient amount of tax revenues over the ensuing ~~five~~
 18 **(5) ten (10)** years to provide for refunding the loans.

19 (2) The loans must be evidenced by notes of the town in terms
 20 designating the nature of the consideration, the time and place
 21 payable, and the revenues out of which they will be payable.

22 (3) The interest accruing on the notes to the date of maturity may
 23 be added to and included in their face value or be made payable
 24 periodically, as provided in the ordinance.

25 Notes issued under this subsection are not bonded indebtedness for
 26 purposes of IC 6-1.1-18.5.

27 SECTION 67. IC 36-5-2-12 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) The legislative
 29 body may, by ordinance, make loans and issue notes for the purpose of
 30 refunding those loans in anticipation of revenues of the town that are
 31 anticipated to be levied and collected during the term of the loans. The
 32 term of a loan made under this subsection may not be more than ~~five (5)~~
 33 **ten (10)** years. Loans under this section shall be made in the same
 34 manner as loans made under section 11(b) and 11(c) of this chapter,
 35 except that:

36 (1) the ordinance authorizing the loans must appropriate and
 37 pledge to the payment of the loans a sufficient amount of the
 38 revenues in anticipation of which the loans are issued and out of

1 which the loans are payable; and

2 (2) the loans must be evidenced by time warrants of the town in
3 terms designating the nature of the consideration, the time and
4 place payable, and the revenues in anticipation of which the loans
5 are issued and out of which the loans are payable.

6 (b) An action to contest the validity of a loan made under this
7 section must be brought within fifteen (15) days from the day on which
8 the ordinance is adopted.

9 SECTION 68. IC 36-6-6-10 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) This section
11 does not apply to the appropriation of money to pay a deputy, an
12 employee, or a technical adviser that assists a township assessor with
13 assessment duties or to an elected township assessor.

14 (b) The township legislative body shall fix the:

15 (1) salaries;

16 (2) wages;

17 (3) rates of hourly pay; and

18 (4) remuneration other than statutory allowances;

19 of all officers and employees of the township.

20 (c) Subject to subsection (d), the township legislative body may
21 reduce the salary of an elected or appointed official. However, **except**
22 **as provided in subsection (i)**, the official is entitled to a salary that is
23 not less than the salary fixed for the first year of the term of office that
24 immediately preceded the current term of office.

25 (d) Except as provided in ~~subsection~~ **subsections (e) and (i)**, the
26 township legislative body may not alter the salaries of elected or
27 appointed officers during the fiscal year for which they are fixed, but
28 it may add or eliminate any other position and change the salary of any
29 other employee, if the necessary funds and appropriations are available.

30 (e) In a township that does not elect a township assessor under
31 IC 36-6-5-1, the township legislative body may appropriate available
32 township funds to supplement the salaries of elected or appointed
33 officers to compensate them for performing assessing duties. However,
34 in any calendar year no officer or employee may receive a salary and
35 additional salary supplements which exceed the salary fixed for that
36 officer or employee under subsection (b).

37 (f) If a change in the mileage allowance paid to state officers and
38 employees is established by July 1 of any year, that change shall be

1 included in the compensation fixed for the township executive and
 2 assessor under this section, to take effect January 1 of the next year.
 3 However, the township legislative body may by ordinance provide for
 4 the change in the sum per mile to take effect before January 1 of the
 5 next year.

6 (g) The township legislative body may not reduce the salary of the
 7 township executive without the consent of the township executive
 8 during the term of office of the township executive as set forth in
 9 IC 36-6-4-2.

10 (h) This subsection applies when a township executive dies or
 11 resigns from office. The person filling the vacancy of the township
 12 executive shall receive at least the same salary the previous township
 13 executive received for the remainder of the unexpired term of office of
 14 the township executive (as set forth in IC 36-6-4-2), unless the person
 15 consents to a reduction in salary.

16 **(i) In a year in which there is not an election of members to the**
 17 **township legislative body, the township legislative body may by**
 18 **unanimous vote reduce the salaries of the members of the township**
 19 **legislative body by any amount."**

20 Page 10, delete lines 1 through 21.

21 Page 16, after line 5, begin a new paragraph and insert:

22 "SECTION 74. IC 36-7-17-12 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) A property for
 24 which no one applies in two (2) successive drawings held under this
 25 chapter may be sold at public auction to the highest bidder.

26 (b) The proceeds of the sale of real property acquired under
 27 IC 6-1.1-24-6.5 or IC 6-1.1-25-7.5 shall be applied to the cost of the
 28 sale, including advertising and appraisal.

29 (c) If any proceeds remain after payment of the costs under
 30 subsection (b), the proceeds shall be applied to the payment of taxes
 31 removed from the tax duplicate under IC 6-1.1-24-6.5(e) or
 32 ~~IC 6-1.1-25-7.5(e)~~: **IC 6-1.1-25-7.5.**

33 (d) If any proceeds remain after payment of the taxes under
 34 subsection (c), the proceeds shall be deposited in the county general
 35 fund.

36 SECTION 75. IC 36-7-17.5 IS ADDED TO THE INDIANA CODE
 37 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2005]:

Chapter 17.5. Residential Redevelopment Areas

Sec. 1. This chapter applies to:

- (1) a consolidated city; and**
- (2) a second class city.**

Sec. 2. As used in this chapter, "affordable housing" means residential property that is affordable for individuals or families earning not more than eighty percent (80%) of the area's median income, as determined by the United States Department of Housing and Urban Development.

Sec. 3. As used in this chapter, "authority" refers to the Indiana housing finance authority.

Sec. 4. As used in this chapter, "city" means a consolidated city or a second class city.

Sec. 5. As used in this chapter, "commission" means:

- (1) the metropolitan development commission in a consolidated city; or**
- (2) a redevelopment commission established by a second class city under IC 36-7-14-3.**

Sec. 6. As used in this chapter, "rehabilitation" means the remodeling, repair, or betterment of real property in any manner or any enlargement or extension of real property in which depreciable rehabilitation expenditures of at least twenty-five thousand dollars (\$25,000) are incurred.

Sec. 7. As used in this chapter, "residential redevelopment area" means a geographic area of a city that meets the following criteria:

- (1) The area is zoned primarily for residential development.**
- (2) The area suffers from deteriorated housing stock or environmental contamination.**
- (3) The area is unlikely to be developed by the ordinary operation of private enterprise under the normal regulatory scheme without resorting to the powers allowed under this chapter.**
- (4) The redevelopment of the area would benefit the health, welfare, and safety of the residents of the city.**

Sec. 8. (a) A commission may designate a geographic area of the city as a residential redevelopment area if the proposed area was previously developed as a residential or commercial area and the commission finds the following:

1 **(1) That at least twenty percent (20%) of the real estate**
 2 **parcels in the area are vacant or contain buildings requiring**
 3 **rehabilitation.**

4 **(2) That at least fifty percent (50%) of the families and**
 5 **individuals living in the proposed residential redevelopment**
 6 **area earn less than the area's median income, as determined**
 7 **by the United States Department of Housing and Urban**
 8 **Development.**

9 **(3) That there is a documented need for affordable housing in**
 10 **the city.**

11 **(b) To designate an area as a residential redevelopment area, the**
 12 **commission must also find at least two (2) of the following:**

13 **(1) That the rate of residential investment in the area has been**
 14 **minimal in recent years.**

15 **(2) That the growth rate of the property tax base in the area**
 16 **is less than the growth rate of the property tax base of the city.**

17 **(3) That there is a significant number of parcels in the area**
 18 **with respect to which there are delinquent property tax bills.**

19 **(4) That the number of building and safety code citations**
 20 **issued in the area is proportionately greater than the number**
 21 **of citations issued in the remainder of the city.**

22 **(5) That there is a documented need for environmental or**
 23 **other site remediation in the area, including the existence of**
 24 **old utility lines and underground storage tanks.**

25 **Sec. 9. (a) To designate a residential redevelopment area, a**
 26 **commission must adopt a plan for the redevelopment of the area.**
 27 **The plan must include the following:**

28 **(1) A specific description of the geographic area, including**
 29 **street boundaries and other pertinent landmarks.**

30 **(2) A general description of the types of investment in new or**
 31 **rehabilitated structures and the general location of the**
 32 **structures within the area.**

33 **(3) A requirement that at least forty percent (40%) of the**
 34 **housing in the area will be leased or sold to individuals**
 35 **earning not more than eighty percent (80%) of the area's**
 36 **median income as determined by the United States**
 37 **Department of Housing and Urban Development.**

38 **(4) A list of the incentives specified in section 10(d) of this**

1 chapter.

2 (5) Any restrictions imposed on assessed valuation deductions
3 granted under IC 6-1.1-12.4.

4 (b) The plan may permit the commission to waive a development
5 requirement specified within a zoning ordinance applying to the
6 area if the commission determines that compliance with the
7 development requirement would impede the redevelopment of the
8 area.

9 Sec. 10. (a) As used in this section, "residential redevelopment
10 area" means a residential redevelopment area that:

11 (1) is designated in the resolution under section 12 of this
12 chapter; and

13 (2) is administered under a redevelopment plan approved by
14 the authority under section 11 of this chapter.

15 (b) A commission may include any of the following incentives in
16 the redevelopment plan:

17 (1) An assessed valuation deduction for the redevelopment or
18 rehabilitation of residential property located in the residential
19 redevelopment area granted under IC 6-1.1-12.4.

20 (2) An assessed value deduction, as determined by the
21 commission, to limit the increase in the property tax liability
22 on a resident of a residential redevelopment area who meets
23 all of the following criteria:

24 (A) The resident owns and has continuously lived in a
25 residence within a area designated as a residential
26 redevelopment area for at least five (5) years before the
27 designation of the area.

28 (B) The resident has income that does not exceed eighty
29 percent (80%) of the area median income, as determined
30 by the United States Department of Housing and Urban
31 Development.

32 (C) The resident is eligible to receive social security
33 benefits under 42 U.S.C. 402, 42 U.S.C. 423, and 42 U.S.C.
34 1382.

35 (c) The commission may impose either of the following
36 restrictions upon an assessed valuation deduction granted under
37 IC 6-1.1-12.4:

38 (1) A limitation on the dollar amount of the deductions

1 granted in the residential redevelopment area.

2 (2) Any reasonable condition related to the purposes of this
3 chapter.

4 A restriction described in this subsection must be included in a
5 redevelopment plan adopted under section 9 of this chapter.

6 Sec. 11. (a) If a commission wishes to include a tax incentive
7 described in section 10(d) of this chapter in the commission's
8 redevelopment plan for the proposed residential redevelopment
9 area, the commission must send the redevelopment plan to the
10 city's legislative body for approval. The legislative body may adopt
11 a resolution approving the proposed redevelopment plan. Upon
12 obtaining the approval of the legislative body, the commission must
13 send the redevelopment plan to the authority for approval before
14 adopting a declaratory resolution designating the area under
15 section 12 of this chapter.

16 (b) The authority shall review a redevelopment plan received
17 under subsection (a) for compliance with this chapter.

18 (c) Not more than sixty (60) days after receiving the plan, the
19 authority shall issue an order either accepting or rejecting the plan
20 based on whether or not the plan complies with this chapter.

21 (d) An order rejecting the redevelopment plan issued under
22 subsection (c) must include the reasons that the plan does not
23 comply with this chapter.

24 (e) If a redevelopment plan is rejected under this section, the
25 commission may amend the plan and resubmit the plan to the
26 authority. The authority shall review a resubmitted plan and either
27 accept or reject the resubmitted plan not more than thirty (30) days
28 after receiving the resubmitted plan.

29 (f) If the authority accepts a plan under this section, the
30 authority shall certify the plan's compliance with this chapter to
31 the commission. The authority shall send a copy of the certification
32 to the department of state revenue.

33 Sec. 12. To designate a residential redevelopment area, a
34 commission must adopt a declaratory resolution that includes a
35 plan for the redevelopment of the area under section 9 of this
36 chapter.

37 Sec. 13. (a) The commission shall publish notice of a public
38 hearing on the declaratory resolution to designate a residential

1 redevelopment area in the manner prescribed by IC 5-3-1. The
2 notice must include a copy of the declaratory resolution.

3 (b) At the hearing required by this section, the commission shall
4 hear oral testimony and accept the written testimony of persons
5 affected by the designation of the area.

6 Sec. 14. (a) After the hearing on the declaratory resolution, the
7 commission must adopt a resolution that rescinds, amends, or
8 confirms the declaratory resolution.

9 (b) After the commission adopts a resolution confirming or
10 amending the declaratory resolution, the commission must publish
11 notice of the resolution in accordance with IC 5-3-1.

12 (c) Not more than ten (10) days after the publication of the
13 resolution under subsection (b), an aggrieved party may appeal the
14 designation of the area by filing a petition with a circuit or superior
15 court in the county where the area is located.

16 Sec. 15. A commission may exercise the following powers under
17 this chapter:

18 (1) Apply for state and federal grants to be used for the
19 redevelopment of the area.

20 (2) Acquire property in the same manner as an agency may
21 acquire property under IC 36-7-17-3.

22 (3) Transfer property to an eligible entity under IC 6-1.1-24.

23 (4) Exercise the power of eminent domain within a residential
24 redevelopment area:

25 (A) in accordance with IC 36-7-14-20 and IC 36-7-14-32.5,
26 for a redevelopment commission; or

27 (B) in accordance with IC 36-7-15.1-13 and
28 IC 36-7-15.1-22.5, for a metropolitan development
29 commission.

30 Sec. 16. The maximum number of areas that a commission may
31 designate is:

32 (1) two (2) in the case of a consolidated city;

33 (2) two (2) in the case of a second class city in which at least
34 twenty percent (20%) of the households in the city are below
35 the poverty level as established by the most recent United
36 States census; or

37 (3) one (1) in the case of all other second class cities.

38 SECTION 76. IC 36-8-3-3 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A majority of the
 2 members of the safety board constitutes a quorum. The board shall
 3 adopt rules concerning the time of holding regular and special meetings
 4 and of giving notice of them. The board shall elect one (1) of its
 5 members chairman, who holds the position as long as prescribed by the
 6 rules of the board. The board shall record all of its proceedings.

7 (b) The members of the safety board may act only as a board. No
 8 member may bind the board or the city except by resolution entered in
 9 the records of the board authorizing ~~him~~ **the member** to act in its
 10 behalf as its authorized agent.

11 (c) The safety board shall appoint:

12 (1) the members and other employees of the police department
 13 other than those in an upper level policymaking position;

14 (2) the members and other employees of the fire department other
 15 than those in an upper level policymaking position;

16 (3) a market master; and

17 (4) other officials that are necessary for public safety purposes.

18 (d) The annual compensation of all members of the police and fire
 19 departments and other appointees shall be fixed by ordinance of the
 20 legislative body ~~before~~

21 ~~(1) September 20 for a second class city; and~~

22 ~~(2) September 20 for a third class city;~~

23 **not later than September 30** of each year for the ensuing budget year.
 24 The ordinance may grade the members of the departments and regulate
 25 their pay by rank as well as by length of service. If the legislative body
 26 fails to adopt an ordinance fixing the compensation of members of the
 27 police or fire department, the safety board may fix their compensation,
 28 subject to change by ordinance.

29 (e) The safety board, subject to ordinance, may also fix the number
 30 of members of the police and fire departments and the number of
 31 appointees for other purposes and may, subject to law, adopt rules for
 32 the appointment of members of the departments and for their
 33 government.

34 (f) The safety board shall divide the city into police precincts and
 35 fire districts.

36 (g) The police chief has exclusive control of the police department,
 37 and the fire chief has exclusive control of the fire department, subject
 38 to the rules and orders of the safety board. In time of emergency, the

1 police chief and the fire chief are, for the time being, subordinate to the
 2 city executive and shall obey ~~his~~ **the city executive's** orders and
 3 directions, notwithstanding any law or rule to the contrary.

4 SECTION 77. IC 36-9-36-2 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The following
 6 improvements may be made under this chapter by a county:

7 (1) Sanitary sewers and sanitary sewer tap-ins.

8 (2) Sidewalks.

9 (3) Curbs.

10 (4) Streets.

11 (5) Storm sewers.

12 (6) Lighting.

13 **(7) Emergency warning sirens.**

14 ~~(7)~~ **(8)** Any other structures necessary or useful for the collection,
 15 treatment, purification, and sanitary disposal of the liquid waste,
 16 sewage, storm drainage, and other drainage of a municipality.

17 (b) The following improvements may be made under this chapter by
 18 a municipality:

19 (1) Sidewalks.

20 (2) Curbs.

21 (3) Streets.

22 (4) Alleys.

23 (5) Paved public places.

24 (6) Lighting.

25 (7) A water main extension for a municipality that owns and
 26 operates a water utility.

27 **(8) Emergency warning sirens.**

28 SECTION 78. IC 32-21-8 IS REPEALED [EFFECTIVE JULY 1,
 29 2005].

30 SECTION 79. [EFFECTIVE JULY 1, 2005] **IC 6-1.1-12.4, as**
 31 **added by this act, applies to property tax assessments made after**
 32 **December 31, 2005, for property taxes first due and payable after**
 33 **December 31, 2006.**

34 SECTION 80. **An emergency is declared for this act."**

35 Renumber all SECTIONS consecutively.

(Reference is to SB 524 as reprinted March 1, 2005.)

and when so amended that said bill do pass.

Representative Hinkle